

Australia and Japan: Mobilising the Bilateral Relationship

Rikki Kersten

Despite a succession of short-term prime ministers in Japan, and regime change in both Japan and Australia between 2006 and 2010, the bilateral relationship blossomed in new and important directions. Most significantly, Australia and Japan mobilised bilateralism into regional and global spheres, representing a balancing of relations in the areas of politics and security to complement the hitherto robust history of trade and investment (Bisley 2008: 41). In an era of new security challenges and shifting geopolitical circumstances in the Asia-Pacific region and beyond, Australia and Japan included each other in their evolving regional diplomatic strategies. At the same time, political leaders in both countries dealt with the vexed issue of Japanese whaling in the Southern Ocean by playing to the charged emotions prevalent in their respective domestic constituencies, while simultaneously sending a 'business as usual' message between officials. The disconnect between policy-makers' pragmatism concerning the political situation in the partner nation, on the one hand, and popular outrage stoked by media reports and official statements, on the other, undermined the momentum achieved in the broader bilateral relationship.

DOMESTIC POLITICS AND NEW PERSPECTIVES ON THE BILATERAL RELATIONSHIP

The conservative like-mindedness that characterised the post-11 September 2001 cohort of leaders in Japan (Junichirō Koizumi), Australia (John Howard) and the United States (George W Bush) began to unravel in 2006 as the electoral cycle in each country started to sweep those conservative regimes from power. Koizumi's successor, Shinzō Abe (September 2006 – September 2007) made full use of his brief stint in

office by signing with his counterpart Howard the Japan–Australia Joint Declaration on Security Cooperation (JDSC) between Australia and Japan in March 2007, and commencing negotiations with Australia for a free trade agreement (FTA) (known as an Economic Partnership Agreement, or EPA, in Japan). His successors Yasuo Fukuda (September 2007–September 2008) and Tarō Aso (September 2008–September 2009) implemented the JDSC consistently, and equally consistently continued to stall in the FTA talks with Australia, but the passing parade of Liberal Democratic Party (LDP) leaders augured ill for the conservative cause in Japan. Maintaining the momentum of the Joint Declaration despite the decline of LDP dominance was a real achievement for the destabilised governments of Japan during this period.

The landslide victory of the Democratic Party of Japan (DPJ) in August 2009 heralded a new era in Japan's postwar democracy, but Prime Minister Yukio Hatoyama seemed to have inadvertently stepped onto the conveyor belt left behind by his LDP predecessors and was out of office in less than a year. During his truncated tenure, Japan's fundamental postwar relationship with the United States came under sustained strain as Hatoyama made promises to the weary Okinawan electorate that he simply could not keep about removing US bases. Under the leadership of his successor, DPJ stalwart and 'common man' Naoto Kan, Japan steadily moved forward with its articulation of a more ambitious security policy, albeit with a more overt commitment to activist pacifism than seen under the LDP regime. Kan's DPJ likewise indicated its desire to support Hatoyama's diplomatic program by seeking to balance its wobbling relationship with the United States with an Asia-first diplomatic thrust. Despite all of the tumult of electoral watersheds and conservative decline, Japan maintained a coherent and broadly consistent foreign, economic and security policy line towards Australia during this period.

Throughout the 2006–10 period, Japan's leaders also continued to wrestle with an array of entrenched problems that shaped their efforts to define new regional and global strategies. By 2010 Japan had endured 20 years of flat growth with all of the profound socio-economic malaise that this slow-burn crisis brought with it. The worrying combination of a rapidly ageing society and a negative birth rate likewise encouraged new thinking in Japan about its economic diplomacy, as well as great activity as Japan raced to secure EPAs with its Association of Southeast Asian Nations (ASEAN) neighbours. Although the DPJ included protection for farmers and the agricultural sector in its election manifesto in 2009 (Democratic Party of Japan 2009: 15–17), analysts agreed that Japan's policy-makers would have to bite the trade liberalisation bullet sooner or later if they were to make any progress with its new regional and global strategy (George Mulgan 2007: 10). Looming over all of this 'new thinking' in Japan was the spectre of a rising China, and in many respects Japan's new attitude towards its relationship with Australia was influenced by its assessment of what China's rise meant for Japan in the region and in the world. When China surpassed Japan to become Australia's largest trading partner in May 2007, policy-makers on

both sides were ready to take a new look at how the bilateral relationship might work in this new world. In this sense, Australia was a beneficiary of Japan's new strategy of 'enhanced bilateralism and regionalism' (George Mulgan 2007: 4), accompanied as it was by the residual fear that its ally the United States might adopt a policy of 'Japan passing' in favour of China.

This is the context in which Japan recalibrated its relationship with Australia as part of its new regional and global strategy. This new direction was manifested in Japan's commitment to the trilateral security dialogue with Australia and the United States, in the decision to sign the first defence agreement in its postwar history with a power other than the United States, and its decision to embark on FTA talks. Japan identified Australia as one country that could potentially go part of the way to meeting its growing concerns over food security and food safety, and energy and resource security, and that might help Japan counterbalance China in regional forums such as the Asia-Pacific Economic Cooperation (APEC) grouping and the East Asia Summit (Hosono 2006: 590). Between 2006 and 2010, it seemed that Japan had stopped taking Australia for granted, and looked with renewed interest at roles Australia could play in partnership with Japan as part of a bilateral axis that could be mobilised in regional and global contexts.

For its part, Australia moved quickly to capitalise on the positive relationship between Abe and Howard, which saw the JDSC materialise and become institutionalised through subsequent defence and foreign affairs ministerial talks (2+2 talks) commencing in June 2007. When Kevin Rudd ended almost 12 years of conservative Coalition government rule in Australia in December 2007, few anticipated that this transition would augur ill for the Australia-Japan relationship. The media in both countries made much out of the failure of Prime Minister Rudd to visit Japan until as late as June 2008, along with Rudd's proficiency in the Chinese language, which was taken to indicate a pro-China stance on his part. On a deeper level, it was the intensification of conflict in the Southern Ocean over Japanese whaling that cast a shadow over Rudd's prime ministership as far as Japan was concerned. Rudd's visit to Tokyo occurred in the wake of the January hostage-taking crisis, when two Sea Shepherd crew—including one Australian national—were taken hostage by the crew of Japan's *Yūshin Maru* whaling vessel in the Southern Ocean. On the campaign trail, Rudd had promised decisive action against Japan over whaling, although it was not until the very end of his shortened term of office in June 2010 that Rudd delivered on this promise, in anticipation of the next federal election.

Despite the white noise of the whaling dispute and the bruised pride caused by Rudd's apparent 'Japan passing', the Rudd administration had been quick to realise and act upon the emerging priorities of Japanese regional and global diplomacy. Moreover, in a relatively short period, it had delivered precisely the kind of regional and global structures and institutions that Japan had been seeking. In the areas of climate change, nuclear non-proliferation and security, the new Labor government presented

Japan with regional and global platforms on which the bilateral relationship could be activated. This represented a happy congruence between emerging Australian and Japanese policy priorities, as Australia aspired under Rudd to acquire a stronger regional and global middle power presence, and Japan sought to activate its relationship with Australia in new contexts. With Rudd ensconced in the role of foreign minister under a Gillard minority government from September 2010, policy continuity was expected in Australia's relationship with Japan, even as Australia entered uncharted waters in its own democratic history.

On the other hand, the relative decline of Japan's importance for Australia may have provided the impetus for Japan's turn towards Australia, including even a willingness to consider an FTA. The niggling concern that Australia maybe did not need Japan as much as Japan needed Australia was evident in the parting comments of Japan's Ambassador to Australia, Takaaki Kojima, when he bemoaned the fact that Australians appeared to be uninterested in Japan and obsessed with China (Kojima 2010: 5). The same frustration can be detected in the 2008 report from the Department of Foreign Affairs and Trade (DFAT), *Australia and Japan: How Distance and Complementarity Shape a Remarkable Commercial Relationship*. Noting that at the time of writing Japan was still Australia's largest export market (China became number one in May 2009), the report declared that 'any perceptions that Japan's absolute economic importance to Australia—and Australia's to Japan—are diminishing are misplaced' (DFAT 2008a: 1). The perception of 'China obsession' was backed up by the Lowy Institute for International Policy's 2010 poll, which saw barely 3 per cent of Australian respondents nominating Japan as a leading world economic power compared with 55 per cent nominating China, even though Japan remained the world's second largest economy (Hanson 2010: 9). Japan's ambassador seemed to derive little comfort from the fact that Australians felt 'warmer' towards Japan (65 degrees) than they did towards China (54 degrees) (Hanson 2010: 5).

In the early years of the period under review, the anniversary syndrome thus delivered unexpected outcomes. The 30th anniversary of the signing of the 1976 Basic Treaty of Friendship and Cooperation, and the 50th anniversary of the 1957 Australia–Japan Agreement on Commerce, were celebrated by moving away from the traditional success story of bilateral trade towards the somewhat surprising realms of defence and security, and regional diplomacy. This was perhaps less attributable to the rise of like-minded progressive regimes in each country (Walton 2010: 435), and more to do with similar readings of the changing geopolitical circumstances in the Asia–Pacific region. The momentum towards change was so compelling that not even sustained political instability in Japan, and the demise of long-standing conservative dominance in policy-making in both countries, could derail the path to reconceptualising the Australia–Japan relationship. The areas that showcased this shift most prominently were those of defence and security.

DEFENCE AND SECURITY

There were two elephants in the room when the JDSC was signed in March 2007: China and the United States. Both Japan and Australia acknowledged their respective close alliances with the United States as a positive aspect supporting an enhanced bilateral security relationship, and presented the JDSC as a logical extension of that essential relationship. And yet, commentary in both countries speculated that the JDSC was an attempt on the part of Australia and Japan to demonstrate independence from the United States in the area of security (*Japan Times* 2007; Bisley 2008: 43). This seems to be unsupported by logic, given that the diplomacy leading up to the signing of the JDSC was accompanied by the ramping up of the Trilateral Strategic Dialogue (TSD) (formerly the trilateral security dialogue) between the United States, Japan and Australia from the level of senior officials in 2002 to that of ministers in 2006. And yet, the bilateral JDSC was carefully framed within specific parameters that did not equate with *carte blanche* to support the United States' global agenda.

Taken at face value, the JDSC seemed to formalise the actual collaboration that had already taken place on the ground between Australia and Japan in disaster relief (in the aftermath of the Indian Ocean tsunami), reconstruction and peace-building (in Iraq) and humanitarian assistance. This is not to say that the JDSC was envisaged to operate contrary to the interests of the United States; instead it offered improved cooperation between two allies that potentially helped move the region beyond a 'hub and spokes' alliance structure and towards a more credible regional security network (Akutsu 2010). The JDSC accordingly framed enhanced bilateral security collaboration in a regional setting, stating that 'the future security and prosperity of both Japan and Australia [are] linked to the secure future of the Asia-Pacific region and beyond', and that 'Japan and Australia will deepen and expand their bilateral cooperation in the areas of security and defence cooperation with a view to enhancing the effectiveness of their combined contribution to regional and international peace and security, as well as human security' (Ministry of Foreign Affairs of Japan 2007).

The document openly affirmed trilateral security cooperation with the United States, but tied the bilateral sphere of cooperation to transnational crimes, border security, counter-terrorism, counter-proliferation of weapons of mass destruction, exchanges of strategic information, peace operations, humanitarian assistance and contingency-planning.

Politicians in both countries also presented the Joint Declaration as a pact that emanated from shared values, notably democracy. However, in Japan the JDSC was associated with the right-wing sentiments championed by Prime Minister Abe, notably in his tome *Towards a Beautiful Country* (Abe 2006), and conversely, with a US global strategic agenda. Sceptical commentators accordingly interpreted the 'alliance of democracies' idea as a thinly veiled reference to containing China (Hirano 2009).

The entanglement of the TSD process with the negotiation of the JDSC lent weight to the notion that China was at the forefront of everyone's thinking when the deal was struck. This impression was reinforced by Condoleezza Rice in the lead-up to the first TSD meeting between the foreign ministers of the United States, Japan and Australia in March 2006, when she commented that China's rise was a major issue confronting the region (*Canberra Times* 2006; Leaver & Sach 2006: 627–8; Singam 2006). While China's response to the JDSC was initially low-key, it made its displeasure known (Dobell 2007; Qin 2007). In response, a decision was made in 2007 not to publicise the substance of TSD meetings. The fourth TSD Ministerial Meeting in New York in 2009 made no specific reference to China at all, referring benignly instead to 'discussions on a number of issues relevant to the national interests of all three nations' (DFAT 2009g). Media reports in Australia openly accused Rudd of staying silent 'for fear of antagonising China', particularly in the aftermath of the *Defence Update 2007*, which had indeed annoyed China by explicitly linking the JDSC to the need to counter the modernisation of China's military capability (Dorling 2009; DOD 2007). The 2009 Defence White Paper, *Defending Australia in the Asia Pacific Century: Force 2030*, further entrenched this perception (DOD 2009a: 34, 95–6).

As William Tow has noted, all of the areas earmarked for bilateral security collaboration 'could be rationalized outside the orbit of geopolitical response vis-a-vis China' (Tow 2007). The JDSC does not possess the binding power of a full-fledged treaty, and does not obligate either nation to come to the aid of the other when threatened by a third party. But as the tension between Japan and China over incursions in the East China Sea grew in late 2010, Australia was reminded that the cost of getting too close to one side engaged in a disagreement weakened the 'honest broker' role it might otherwise have played.

The Joint Declaration was quickly followed up on 9 September 2007 with an Action Plan that identified how the agreement would be implemented. The Action Plan elaborated 12 areas of joint activity including United Nations (UN) reform, law enforcement and exchange of strategic assessments. But by far the most significant outcome of the Action Plan was the institutionalisation of annual 2+2 talks involving the foreign and defence ministers of both countries, which took place throughout the period under review. As Minister for Foreign Affairs Stephen Smith noted in 2010, this is the only regular formal 2+2 dialogue that Australia has in Asia (similar talks are held with the United States and the United Kingdom only) (Smith 2010f: 3). The 2008 talks revealed that a goal of the bilateral collaboration was to support 'the continued growth in Japan's international security role' (DFAT 2008b), lending some credence to the speculation that Australia was setting out to help 'normalise' Japan's security posture in the world. But with the advent of a DPJ government in 2009, it was clear that Japan's notion of 'normal' meant proactive pacifism in the form of peace-building and reconstruction rather than the acquisition of force projection and full defence capabilities. If the purpose of the JDSC was to achieve

the US objective of promoting Japanese rearmament, a goal the United States had tenaciously pursued since the late 1940s, then this Joint Declaration was unlikely to satisfy that ambition.

The practical aspect of the Joint Declaration was evident in both the JDSC and the Action Plan, specifically in enhancing force interoperability through joint exercises, personnel exchanges and consultations at various levels of seniority. Moving from consultation to cooperation was accordingly highlighted in *Force 2030*, which pointed to 'the gradual maturation of the defence relationship from one based on dialogue to one based on practical cooperation' (DOD 2009a: 95). This practical dimension was enhanced still further by the 2010 Acquisition and Cross-Servicing Agreement.

It was only at this stage of articulating enhanced bilateral security relations that the whaling issue threatened to derail the consolidation of this arm of the relationship. In 2010 some members of the DPJ government questioned Defence Minister Kazuya Shimba over whether Japan should continue on the path of enhanced bilateral security ties with a country that opposed Japan's whaling policy. Similarly the Social Democratic Party, who were members of the governing coalition government at that time, likewise weighed in with arguments concerning the wisdom of facilitating Japan's dispatch of its Self-Defense Forces overseas for peacekeeping missions, given the ambiguous constitutionality of those exercises (*Japan Times* 2010a).

While some observers regarded this new emphasis in Australia–Japan relations as a significant 'break' with Japan's security policy patterns up to that time, the ongoing constraint of Japan's pacifist Constitution was still seen as a brake on further progress towards a full-fledged treaty (Lee 2007: 608–9). It is nonetheless worth noting that in the context of a shifting power balance in Asia, when different actors were grasping for new regional institutional arrangements to meet the demands of the new age, Japan and Australia chose to engage each other on a bilateral level as part of their strategy to shape those emerging regional arrangements. As Naoko Sajima points out, even in the late 1990s few experts had given any credence to the possibility of the Australia–Japan defence and security relationship coming this far (Sajima 2006: 14; Tow & Trood 2006: 72). Japan's security policy received much attention in the aftermath of 11 September, as Japan met the expectations of the United States and adopted a higher profile under the leadership of the charismatic Koizumi between 2001 and 2006. In January 2007, Japan upgraded its Defense Agency into a full-fledged Ministry of Defense, while retaining the Self-Defense Forces title for uniformed personnel. Whether or not these twenty-first century shifts in Japan's security posture were signs of a more assertive stance on Japan's part, the JDSC between Australia and Japan did represent a new stage in a regionally contextualised bilateral relationship. For Australia the security agreement with Japan represented the formalisation of existing ad hoc collaboration and represented a deepening and broadening of the relationship as well, but it also made it harder for Australia to navigate the complex atmospherics of a region in geopolitical flux.

NUCLEAR NON-PROLIFERATION

The area of nuclear non-proliferation also emerged as a high-profile issue for the Australia–Japan relationship during the period under review, continuing the theme of projecting the bilateral relationship into the global arena. In September 2008, Australia and Japan announced the formation of the International Commission on Nuclear Non-proliferation and Disarmament (ICNND). Former foreign ministers Gareth Evans of Australia and Yoriko Kawaguchi of Japan were designated co-chairs of the Commission, whose principal objective was to work towards the Review Conference of the Ottawa Convention. The ICNND submitted a substantial brief to the May 2010 Review Conference of the Treaty on the Non-Proliferation of Nuclear Weapons, and consolidated the track record of both countries in this area of international diplomacy. Australia's Canberra Commission and Japan's Tokyo Forum had both developed reports on the future of the Nuclear Non-Proliferation Treaty (NPT) in the 1990s, and their joint efforts signalled another seemingly fruitful avenue for the deepening and broadening of the bilateral relationship in the twenty-first century. However, this initiative suffered from unfortunate political atmospherics from its inception, and ultimately attracted some criticism for its failure to tackle the harder aspects of non-proliferation and disarmament. The consultation process also put the spotlight on some core differences between Australia and Japan on fundamental issues such as the 'sole purpose' imperative, whereby countries were meant to possess nuclear weapons for the 'sole purpose' of deterring the use of nuclear weapons by other nations.

The ICNND initiative was announced shortly after Prime Minister Rudd's visit to Hiroshima, which was the first time an Australian prime minister had visited that city. Rudd's Japan visit in early June 2008 was under close scrutiny from the Japanese, and followed a sustained critical commentary in both countries on Rudd's tardiness in visiting its major regional partner. Rudd had chosen to visit several nations soon after coming into office in December 2007, including China, which heightened sensitivities in a Japan already hypersensitive to any evidence of 'Japan passing'. Journalists in both countries were in full cry as Rudd bypassed Japan in early 2008, observing that 'the Prime Minister seemingly can find the time to traverse the entire globe but not to visit Japan' (Conley & Heazle 2008). Rudd's announcements in Japan thus attracted more than the usual amount of interest from his hosts. Rudd responded to this crescendo of attention by announcing the ICNND after visiting Hiroshima, which did indeed make an impact on a nation that continued to draw on its experience as the world's first nuclear victim country as the normative foundation of its postwar national identity. The original announcement created great expectations, promising to explore 'ways to strengthen the provisions of the 40-year old nuclear non-proliferation treaty', and to save the NPT regime from disintegration (Coorey 2008b). In addition to rejuvenating the NPT, Rudd stated that the Commission's goals would include how to

bring non-compliant states into the NPT fold, and how to manage proliferation risks associated with increases in nuclear energy use for peaceful purposes (Rudd 2008j).

The noble aspirations of the ICNND were tarnished by the increasing dissonance between Australia and Japan on a number of significant issues. Rudd's predecessor, John Howard, had conducted close discussions with Prime Minister Abe over the possibility of Australia receiving nuclear-generated power from Japan, within the context of efforts to bolster the non-proliferation regime. This initiative was overturned by the Rudd government amid ongoing differences between the two countries on whether to fully integrate India into new regional initiatives, including expanding the TSD to include India. Although the Rudd government had refused to supply uranium to NPT non-signatory India, in late 2007 it was made clear that it would allow India to be treated as an exception by the member nations of the Nuclear Suppliers Group (Kelton & Leaver 2009: 253). The Rudd government was thus in a tangle over its treatment of India, as it appeared to undermine its own lofty statements concerning reviving the NPT regime that had accompanied the establishment of the ICNND in 2008.

Another spanner was thrown into the works when Japan's ICNND co-chair Kawaguchi restated her view, clearly representing the position of the Japanese government, that there remained a need for nuclear weapons to be used as a broad deterrent. This directly contradicted Rudd's advocacy of 'no first use' on the part of countries such as the United States, a view that held sway in the ICNND membership (Flitton 2009). But for a Japan that was confronting an unstable and unpredictable nuclear-armed North Korea, the prospect of losing the protection of extended deterrence from the United States' nuclear arsenal was unthinkable. After a compromise had been reached between Australia and Japan in the context of the ICNND that in place of 'no first use' the commission's report would refer to the 'sole purpose' of nuclear weapons, the Australian and Japanese governments issued a working paper in March that failed to mention this phrase. This left a sour taste in the mouths of the ICNND's Japanese members, who felt they had been duped. Prime Minister Hatoyama had managed to come around to Australia's point of view in February 2010, agreeing that a broad-based nuclear deterrent was not essential and that nuclear weapons would only be employed in the case of a direct nuclear threat (Flitton 2010). But by then the ill will had already spread among NPT policy and expert circles in Japan, and media reporting lingered more on policy turnarounds on Australia's part than on the achievement of an apparent consensus.

To cap it off, in April 2010 Rudd decided not to attend the April 2010 NPT talks convened by President Barack Obama in Washington, in what was reported at the time as his 'tit for tat' cancellation of bilateral visits between Canberra and Washington. Dennis Shanahan wrote in the *Australian* that Japan's resentment of Rudd's shoddy behaviour over the NPT had congealed with their frustration over Rudd's position on whaling to produce a distinctly 'emotional' and negative attitude towards the Rudd government (Shanahan 2010a). Only a few weeks before the Obama meeting, Rudd

had announced his intention to take Japan to the International Court of Justice over the continuation of their so-called 'scientific' whaling. This announcement occurred two days before Foreign Minister Katsuya Okada's visit to Australia. Journalists in both countries raised quite a fuss over the poor timing on Rudd's part, but it is fair to assume that politicians in Japan were aware that Rudd was thinking more about the pending federal election in Australia than he was about the relationship with Japan. Unfortunately, this pragmatic attitude in the political realm was not conveyed to the wider Japanese population, who instead followed the braying of the press pack concerning Australia's 'anti-Japanese' posture.

Despite all of the problems outlined above, in the end two substantial documents were produced by bilateral Australian and Japanese entities and fed into the 2010 Review Conference on the NPT. The ICNND's major report entitled *Eliminating Nuclear Threats: A Practical Agenda for Global Policymakers* (Evans & Kawaguchi 2009) was submitted for consideration to the Review Conference and was accompanied by a Joint Package of Practical Nuclear Disarmament and Non-Proliferation Measures document produced by the Australian and Japanese governments (Smith 2010c). While commentators disagreed on the impact of these submissions, from the perspective of Australia-Japan relations, these documents represented a sustained and intensive bilateral effort that forged a significant policy-based foundation for mobilising the bilateral relationship in global forums. While the political jousting detracted from the overall impact of these efforts among ordinary citizens in both countries, substantial work was done and the bilateral relationship was enriched by the joint effort between officials and experts from both sides. By the end of 2010, it was clear that this common ground would soon be tested, as Japan moved towards a closer relationship with India that included not only a projected free trade agreement by the end of 2011 but activation of civilian nuclear cooperation as well.

VISIONS OF REGIONALISM

In response to the rapidly changing power balance in Northeast Asia, Australian and Japanese leaders produced separate statements between 2006 and 2010 outlining new forms of regionalism. Both sides seemed to agree that the current constellation of regional institutions was unable to meet the needs of the twenty-first century, with its complex array of transnational problems and emerging threats. Neither proposal offered much detail, but the like-mindedness of the impulse to lead regional institution-building was another indication that both countries had their eyes trained on the bigger regional picture. Media reporting mainly focused on the question of who was in and who was out in each proposal, and ultimately the respective proponents of these visions, Rudd and Hatoyama, were precipitately removed from office before they could put meat onto the bones of their ideas. But the shared impulse to respond

to changing geopolitical circumstances with new regional arrangements offered a glimpse of another avenue where Australia–Japan bilateralism could be activated in the regional context. In 2010 Hatoyama's successor Naoto Kan explicitly stated his support for continuing the thrust of Hatoyama's initiative, and while Rudd's successor, Julia Gillard, appeared lukewarm about Rudd's idea after her election victory in 2010, the fact that Rudd remained a hyperactive and committed proponent of the concept in his role as foreign minister meant that regional institution-building remained on the bilateral agenda.

Rudd compounded his problematic relationship with Japan in the early days of his prime ministership by unexpectedly announcing his vision of an Asia–Pacific Community (APC) in a speech to the Asia Society AustralAsia Centre on 4 June 2008, just days before his belated first trip to Japan. Rudd's idea was presented as one of three pillars for Australian foreign policy under the new Labor government, placing engagement with Asia alongside the US alliance and UN-centred diplomacy as priorities for Australia. Rudd's concept of an APC was comprehensive and inclusive, in that it sought to create a forum where security, trade, and resource and food security could be discussed by leaders representing the major regional players, including the United States. Rudd aspired to build 'a regional institution which is able to engage in the full spectrum of dialogue, cooperation and action on economic and political matters and future challenges related to security' (Rudd 2008k). In his exposition of a formal, rules-based institution for the 'Asian century', Rudd offered tantalising insights into his thinking on bilateralism, including the Australia–Japan relationship. Rudd's prioritisation of multilateralism over bilateralism as the linchpin of Australian foreign policy was made explicit: 'there is a brittleness in a foreign policy based only on bilateral relations. To remove some of that brittleness, we need strong and effective regional relations' (Rudd 2008k). Rudd went on to specifically address the relationship with Japan, overtly contextualising this relationship in trilateral (with the United States in the TSD), regional and global terms. Rudd's choice of Richard Woolcott as his envoy to garner regional responses to this proposal evoked memories of Australia's and Japan's previous successful foray into regional leadership in 1989, when both countries led the establishment of APEC. But Japanese heads were spinning with this latest initiative, announced on the eve of Rudd's troubled first visit to Japan, as issues such as whaling, quadrilateralism including India, and the NPT swirled in the ether. Japan's initial response to Rudd's proposal was polite, but noncommittal.

After receiving harsh criticism from commentators and tepid reactions from regional players, Rudd retuned his APC concept with pragmatism and intelligence in an address to the Shangri-La Dialogue in May 2009. Here Rudd showed the requisite deference to ASEAN as the lead institution in Asian regionalism, presenting the APC as 'a natural broadening of the processes of confidence, security and community building in Southeast Asia led by ASEAN' (Rudd 2009g). His explicit references to ASEAN-centred institution-building sounded all the right notes, but Rudd nonetheless restated

his view that existing institutions were too narrowly configured to serve the purposes of the twenty-first century, and that active institution-building involving all major regional powers was required.

In this refined declaration of his foreign policy vision, Rudd seemed to anticipate the thrust of Hatoyama's own regional vision, which followed in November 2009. Riding a wave of idealism and excitement after leading his party to victory in August 2009, Hatoyama wasted no time in setting forth his own vision for an East Asian Community (Hatoyama 2009). Unlike Rudd, Hatoyama had already sounded out his neighbours, China and Korea, during their Trilateral Summit meeting that year, signalling his firm intention to counterbalance Japan's alliance with the United States with Asia-first diplomacy. With identity politics front and centre, Hatoyama reinforced Japan's role as a future-shock country for other Asian nations, having modernised earlier than them, and then having been forced to confront post-growth challenges. Significantly, Hatoyama used Europe as a referent, pointing to the successful reconciliation between Germany and France that lay at the heart of European community-building. Hatoyama's explicit reference to Japan's aggression in the region 60 years before, coupled with his stated desire for genuine Asian reconciliation and distancing from the United States, ensured that his proposal received positive attention from the region.

Hatoyama's concept differed from Rudd's in that it proposed an informal and staged approach to a community, and most importantly, it would exclude the United States. Hatoyama proposed to follow a phased path starting with economic ties, then moving on through issue-based cooperation towards institutionalisation. Clearly Hatoyama's idea was quite different from Rudd's, and for a short while it was not clear whether Japan welcomed Australia into its community. With Hatoyama embroiled in a stand-off with the United States over force relocation within Okinawa, it was increasingly evident that Japan's regional vision was an integral part of a fundamental recalibration of Japan's postwar alliance relationship with the United States. Indeed, China's positive attitude towards the East Asia Community rested on this premise (Hemmings 2010). On the other hand, in 2005 Japan had successfully pushed for Australia along with India and New Zealand to become members of the East Asia Summit, partly in order to counterbalance China in the region. The real test for the effectiveness of Australia-Japan bilateral activism will occur in the ensuing decade, when Australia calibrates its own national interest and regional vision to work with Japan in the shifting sands of regional power plays and ongoing institutional reform.

FREE TRADE AGREEMENT NEGOTIATIONS

Alongside the JDSC of 2007, Abe and Howard launched negotiations over a bilateral FTA that, by late 2010, was approaching its 13th round of talks. Japan-watchers and agricultural policy veterans on the Australian side were under no illusions about how

hard it would be for Japan to sign any accord that involved agriculture, and both sides settled in for the long haul. Agricultural liberalisation remained the most difficult aspect of any trade agreement for Japan because of its political sensitivity, its social importance and the entrenched culture of entitlement that pervaded the declining rural sector in Japan. A pro-rural gerrymander persisted in Japan's electoral system, despite incremental adjustments over the years, and organised agricultural interest groups were formidable foes at election time. The centrality of certain agricultural products such as rice and soy beans to daily life and to the seasonal cycle of ritual celebration and cultural identity made any pressuring of farmers unacceptable, even to urban Japanese. By the twenty-first century, Japan's rapidly ageing farmers (who were increasingly part-time rather than full-time) had become accustomed to the subsidies and import protection that had been forthcoming from successive ruling LDP governments since 1955.

Australia thus continued to endure massive tariffs and quotas placed on agricultural products imported into Japan. In 2008 the magnitude of Japan's agricultural protectionism seemed to make a mockery of any notion of a 'free trade' agreement, with a tariff on beef that moved between 38 per cent and 50 per cent according to volume, a tariff on rice of 770 per cent, and wheat attracting not only a 200 per cent tariff but also restrictions on how it could be utilised in the Japanese market (Alford 2009). The advent of the DPJ coalition government in 2009 may have swept the cobwebs away from Japanese democracy, but the DPJ's declared commitment to protecting Japan's farming communities meant that the rural sector seemed likely to remain ensconced in the protection of their new political masters. Gloom accordingly settled over the FTA talks between Australia and Japan.

And yet, new forces and new attitudes emerged in the twenty-first century that augured well for a change in Japan's protectionist stance, albeit with the greatest of reluctance and amid a cacophony of protest from rural vested interests in Japan. Alarm bells rang all over Japan when Japan's food self-sufficiency ratio fell to 39 per cent in 2006, placing Japan last among 12 advanced industrialised countries. This led to a flurry of activity on the part of the Japanese government, which immediately established a self-sufficiency target of 45 per cent by 2015 (Nagata 2008). Concurrent with the awareness of Japan's need for secure food imports from abroad was a somewhat xenophobic attitude towards imported food, which highlighted food safety concerns with imports such as frozen *gyōza* (dumplings) from China (sparked by a nasty *gyōza* food poisoning scandal in 2008) but lingered less on the prevalence of food safety issues in Japan's domestic food production industry. Food safety, food security and food self-sufficiency merged to produce a more realistic attitude among Japan's policy-makers, who by the end of 2010 were assessing the projected cost of assisting Japan's farmers to adjust to a liberalised agricultural market. These messages were heard and acted upon by Australian lead negotiators, who in 2010 made food security the central platform of their FTA pitch (*Japan Times* 2010b: 32).

The crescendo of concern among agricultural analysts and farmers in Japan was itself an indication that Japan seemed increasingly likely to accept that a degree of liberalisation would be inevitable. The intensity of the fight ahead was not lost on the DPJ's policy-makers, as commentators screamed 'will Japan's agriculture collapse because of Japan's FTA with Australia?' (Suzuki 2008), 'the Japan–Australia FTA is the road to destruction for Japanese agriculture' (*Rōdō Shimbun* 2007), 'through the Japan–Australia FTA agriculture will disappear from Japan' (Honda 2007), and 'is it really OK to rid Japan of agriculture?' (Okada 2007). When we consider the pressure under which Japan's economy continued to labour in late 2010, and that China represented keen competition for Japan in the sphere of resource and energy security, the mood in favour of swallowing the bitter pill of agricultural liberalisation seemed to have become marginally more resigned in Japan.

WHALING

The most vexing issue in Australia's relationship with Japan during the 2006–10 period was whaling. Japan continued what it called its 'scientific' whaling on the basis of the 1946 International Convention for the Regulation of Whaling, which allowed lethal whaling for the sake of scientific research and thus enabled Japan to circumvent the 1986 global ban on commercial whaling. Australia invoked its authority over Antarctic waters under the auspices of the 1961 Antarctic Treaty regime as the basis for banning whaling in that area. Both countries clashed in global forums, notably at the International Whaling Commission's meetings in June 2008 and June 2010. Between 2006 and 2010, anti-whaling activists such as the Sea Shepherd Conservation Society intensified their confrontation with Japanese whaling vessels during the hunting season between December and February of each year, and the Australian government also ramped up their policy towards Japan on this issue. In January 2008, Australia dispatched a customs vessel and surveillance flights to monitor and film Japanese whalers in action, and the Australian government under Rudd first threatened legal action and then finally lodged an application against Japanese whaling in the International Court of Justice on 31 May 2010. In material that was subsequently released by WikiLeaks, it became evident that Australia's Department of Foreign Affairs and Trade had been inclined to favour a compromise over a court case, even as the Rudd government pressed ahead with filing the case at The Hague (Darby 2011).

The whaling issue received pervasive and emotional coverage in the mass media in both countries, with Australian breakfast television mounting a populist campaign against 'the Japanese', and right-wing activists in Japan demonstrating outside the courthouse in Tokyo in July 2010 as New Zealander and *Ady Gil* captain Peter Bethune was charged with interfering with a whaling ship earlier that year in the Southern Ocean. While Japanese politicians railed at the 'terrorist' acts of Sea Shepherd

members against innocent Japanese whaling crew (Ryan 2008), the Australian general public was fed grisly images of bleeding whales being hauled into the maw of huge factory vessels in a blood-soaked sea. Whereas Japanese were encouraged to regard whaling as a legitimate expression of Japan's 'food culture', Australians saw themselves as embarking on a humanitarian crusade. Japanese officials' strategy of entwining whaling with national identity may have been an expression of frustrated nationalism, but it was also an act that elevated whaling beyond a working-level issue and into the stratosphere of neo-nationalist identity politics. Similarly, the alignment of whaling with national identity made it all too easy for Australian criticism to be labelled as 'anti-Japaneseness', a stance that some Australians felt few qualms associating themselves with. It is difficult to conceive of a more corrosive and insidious dynamic for a bilateral relationship than this (see Alford 2010c).

The thrust of Australia's legal *démarche* against Japan was that Japan's whaling actually represents commercial whaling and not scientific whaling at all. Moreover, Australia argued that it was now possible for scientific research on whales to be conducted using non-lethal methods, rendering Japan's claim to scientific validity tenuous. For its part, Japan was incensed that Australia continued to provide port facilities for the Sea Shepherd vessels and demanded that Australia refuse these facilities in future. By 2010 Japan had been unable to substantiate its 'food culture' line, but the lack of convincing evidence did not impede that approach in the domestic sphere. The low popularity of whale meat in Japan suggested that any claim to 'commercial' ambition was poorly supported, and the rise in unsold stocks in storage even prompted Japan's government to embark on a campaign to boost whale meat popularity and sales, including a 'school lunch' campaign (Age 2006). Moreover, the link between whaling and tradition may have been credible for some Japanese seaside communities, but extending this association to include mechanised whaling in the Southern Ocean stretched the cultural line beyond credibility. The most important signal arising from the cultural nationalism angle was that this rationale had broad appeal in Japan, regardless of whether or not it propelled Japanese housewives to put whale meat on the dinner table (or in the school lunch box). Australia's resort to legal action thus appeared to many ordinary Japanese people to be an attack on Japaneseness.

By late 2010 it seemed that politicians in both countries had been irresponsible, feeding the emotional frenzy in their respective domestic constituencies while maintaining a polite and pragmatic tone in bilateral discussions. Politicians' confidence in their ability to control domestic emotions on this issue proved to be sadly misplaced, as they were ultimately constrained by popular feeling and forced to act in accord with shrill views in each country. At the end of 2010, it was clear that whaling would leach into the smooth and constructive functioning of other areas of the bilateral relationship, with whaling being cited on both sides whenever niggles appeared in other policy areas. At the end of the period under review, the

Australia–Japan relationship was curiously poised between two extremes: a mature, broadening and deepening dynamic in defence, security, trade and regionalism on the one hand, and grassroots disaffection on the other.

CONCLUSION

Overall the Australia–Japan relationship can be said to have acquired a new purpose and depth between 2006 and 2010, particularly in the areas of defence and security, where the long years of postwar bilateral relations appeared to have matured into a solid, trust-based partnership. Difficult issues such as trade liberalisation were gnawed at and addressed with all of the problems and frustrations on the table. Lack of progress in outcomes did not equate with lack of progress in the capacity of both sides to appreciate the circumstances confronted by the other, and as of late 2010, the potential for progress in this most difficult policy area was discernible as Japan's political leaders braced for public reaction against the renewal of EPA talks with Australia. In 2011 embattled Prime Minister Kan declared his intention to consider seriously the Trans-Pacific Partnership trade agreement, demonstrating a political acceptance that Japan could not continue indefinitely to shun trade liberalisation to placate sectoral interests. Both countries faced the emerging challenges and threats of the volatile East Asian region with positive plans for alternative regional institutional arrangements. Ironically though, the respective visions for 'communities' in East Asia and the Asia–Pacific were dissonant, and while the end goals were similar, the paths to those goals diverged. And yet, in discrete policy areas, both countries demonstrated a desire and an ability to project enhanced Australia–Japan bilateralism into regional and global contexts. This was evident in the areas of security and nuclear non-proliferation, and it was present in the repeated aspiration of Australian and Japanese policy-makers to make climate change another significant bilateral policy axis.

The unfortunate political missteps on the part of Rudd and the serious discord over whaling cast an unfortunate shadow over the bilateral relationship at a grassroots level, providing oxygen for entities that normally would not be afforded much attention. But there was much to celebrate on the level of bilateral cultural exchange too, notably the hugely successful exhibition of works by Indigenous Australian artist Emily Kame Kngwarreye in 2010, which attracted 125 000 visitors in Tokyo and Osaka, and Australia's participation in the renowned Tokyo Jazz Festival. Media portrayals of whaling disputes reminded officials and leaders in Australia and Japan that all levels of the relationship required nurturing and constant attention. The real decline in Australian funding for diplomacy from the turn of the century, including an evident decrease in Australian representation in the Australian embassy in Tokyo, meant that fewer trained Australian eyes would be focused on a broader array of bilateral issues and opportunities (Blue Ribbon Panel 2009).

As 2010 drew to a close, the failure of Japan to articulate a vision for a rejuvenated alliance with the United States was cause for concern to its partner Australia. While private foundations attempted to fill the gap on creative, future-focused foreign policy (Tokyo Foundation and Center for a New American Security 2010), their efforts were not a substitute for official engagement and action. Japan's ongoing economic malaise and Australia's rising dependence on China had emerged as clear and evident threats to the collaborative bilateral path Australia and Japan had forged. It was unclear whether the Gillard government was inclined to pursue activist bilateralism with Japan, but the previous five years had demonstrated how effective and enlivening the projection of issue-focused bilateralism could be if both sides invested sufficient time, energy and commitment.

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