

DENTING THE HUB, OR STRENGTHENING THE SPOKES?

A NEOCLASSICAL REALISM ANALYSIS
OF NEW SECURITY TRENDS IN THE PACIFIC

BY

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14. ABSTRACT In March 2007, Japan and Australia signed a Joint Declaration on Security Cooperation (JADSC)Japans first such agreement with any country other than the United States since World War II (WWII). The agreement pledges cooperation on counter-terrorism, maritime security, peacekeeping operations, and disaster relief. Prevailing international relations theories fail to adequately explain the logic for such a Japan-Australia security agreement. They also do not explain its acceptance by the United States or negative reactions toward it by China. Neoclassical Realism improves analysis by traditional system-level or unit-level theories without invalidating them. It does so by recognizing that certain domestic traits serve as the causal link between the international system and foreign policy decisions. These domestic traits function as intervening variables. Existing models of Neoclassical Realism, however, leave analysts to choose intervening traits in an ad hoc manner. This limits the theorys usefulness. The model proposed in this thesis resolves these limitations by identifying broadly applicable intervening variables. It does so by categorizing possible intervening variables according to their effect on decision-making. This adaptation allows Neoclassical Realism to be applied in a more nuanced and robust manner to a variety of policy cases. Analysis by Neoclassical Realism and the intervening variable model permit an evaluation of the JADSC that explains its acceptance by the United States and its appropriateness within the existing balance of power in the region. It also shows that the JADSC adds torather than detracts fromthe US-centric security arrangement of bilateral hub-and-spoke agreements established at the end of WWII.					
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ABSTRACT

In March 2007, Japan and Australia signed a Joint Declaration on Security Cooperation (JADSC)—Japan’s first such agreement with any country other than the United States since World War II (WWII). The agreement pledges cooperation on counter-terrorism, maritime security, peacekeeping operations, and disaster relief. Prevailing international relations theories fail to adequately explain the logic for such a Japan-Australia security agreement. They also do not explain its acceptance by the United States or negative reactions toward it by China.

Neoclassical Realism improves analysis by traditional system-level or unit-level theories without invalidating them. It does so by recognizing that certain domestic traits serve as the causal link between the international system and foreign policy decisions. These domestic traits function as intervening variables. Existing models of Neoclassical Realism, however, leave analysts to choose intervening traits in an ad hoc manner. This limits the theory’s usefulness.

The model proposed in this thesis resolves these limitations by identifying broadly applicable intervening variables. It does so by categorizing possible intervening variables according to their effect on decision-making. This adaptation allows Neoclassical Realism to be applied in a more nuanced and robust manner to a variety of policy cases.

Analysis by Neoclassical Realism and the intervening variable model permit an evaluation of the JADSC that explains its acceptance by the United States and its appropriateness within the existing balance of power in the region. It also shows that the JADSC adds to—rather than detracts from—the US-centric security arrangement of bilateral ‘hub-and-spoke’ agreements established at the end of WWII.

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Chapter 1

Introduction

In 2007, Japan signed a bilateral security cooperation agreement with Australia—its first bilateral security agreement with any country other than the United States since World War II (WWII). The United States publically supported this action. The bilateral cooperation represents a change in the US-dominated framework of security agreements that has dominated US relations in the Pacific since WWII. Under the current arrangement, the United States is the common party to, and primary provider of security within, separate bilateral security treaties with allies in the Pacific. In this ‘hub-and-spoke’ security framework, allies in the Pacific are fully dependent on the United States for security. In addition, until the landmark 2007 Japan-Australia Joint Declaration on Security Cooperation (JADSC), Pacific states refrained from security cooperation agreements with each other.

This thesis endeavors to uncover the logic for the departure from strict reliance on bilateral security alliances with the United States. It does so by using a theoretical analysis to identify states’ rationale for the new approach for Pacific security and to determine how that rationale derives from the historical and current security context. The prevailing theories of Realism and Liberalism attempt to explain the relations between states, but fall short. Classic Realism and Neorealism place too much emphasis on influences at the state, or system, levels. Liberalism places too much emphasis on domestic motivations and institutions. Multi-level approaches, which attempt to use both of these theories, neglect linkages between the external and internal variables. Neoclassical Realism, however, overcomes these limitations through its recognition of certain domestic factors that function as intervening variables between the environment and foreign policy decision-making. It is the best model for understanding the rationale behind the new agreements and for analyzing potential impacts. It is sufficiently robust to permit both explanation and prediction of foreign policy decisions.

Although US encouragement of the JADSC has the appearance of a marked change in security philosophy, it actually only advances existing policy and applies enduring US influence in the region to further common interests. The appearance of a

policy change due to the move to new bilateral relationships among the ‘spokes,’ however, leads to possible consequences with respect to regional powers that could reduce the strength of the new agreements. Neoclassical Realism reveals the logic and motivations for the agreement and puts reactions into the proper context.

To uncover the logic and motivations for the JADSC, the thesis takes a methodological approach through theory, history, application, and analysis. First, prevailing theories of international relations are evaluated, noting their strengths and limitations (Chapter 2). Neoclassical Realism is chosen as the best model for its usefulness in explaining and predicting foreign policy choices, especially when those choices do not seem to conform to expected norms. Second, the nature of the external security environment is established through a consideration of the history of power politics in the region (Chapter 3). The history also reveals instances of state characteristics that bias, or otherwise intervene, in states’ understandings of their security situation, thereby affecting their foreign policy choices.

Third, the 2007 Japan-Australia Joint Declaration on Security Cooperation is introduced. The views of each state involved with the 2007 declaration are analyzed (Chapter 4). The focus is on Japan and Australia, as participants in the declaration, and on the United States and China, as other great powers in the region. Examination is primarily through official statements regarding each state’s foreign policy. Fourth, the intervening variables evident in each state’s decision-making are explicitly categorized (Chapter 5). Regional implications of foreign policy related to the JASDC are discussed based on the intervening variables.

The Neoclassical Realism analysis assists in prediction and understanding of reactions by states in the region beyond what would be discovered with other prevailing theories. An understanding of possible reactions to changes in foreign policy and the variables that drive those reactions allows mitigation of misperceptions. In this way, Neoclassical Realism and the generalized intervening variable model developed in this thesis show usefulness beyond existing single- or multi-level theories for analysis of Pacific security policy.

Chapter 2

Theory and Methodology

What I come to is a sense of suddenly being left in the lurch, of suddenly finding that a philosophy upon which I relied to carry us through no longer works.

*Randolph Bourne
“Twilight of Idols,” 1917*

The ancient political historian, Thucydides, recorded the timeless observation that it is the “common practice of mankind [to act] under the pressure of three of the strongest motives, fear, honor, and interest.”¹ Since then, thinkers have endeavored to better understand and explain the relations among states. This chapter begins by describing Realism and Liberalism, the dominant theories of international relations, with their strengths and weaknesses. Then, it proposes Neoclassical Realism, a modification of Realism, as an international relations theory that provides a useful model for foreign policy analysis. The discussion also generalizes the identification of Neoclassical Realism’s intervening variables by grouping possible intervening factors into categories based on their effect on foreign policy decision-making. This generalization facilitates a more robust model for application of the theory. In later chapters, Neoclassical Realism and the generalized categories of intervening variables are used to analyze states’ support for or criticism of the JADSC.

Theories of International Relations

The exact causes of conflict are largely undeterminable. History is replete with evidence that indicates that the problem is rooted in humankind—that humans, by their nature, are either insecure or selfish and find security or satisfaction only through seeking power over their neighbors. The words of 16th century political theorist Niccolo Machiavelli are both descriptive and predictive. Neglecting moral restraint, he advises,

¹ Robert B. Strassler, ed., *The Landmark Thucydides: A Comprehensive Guide to the Peloponnesian War* (New York: Free Press, 1996), 43.

“[To survive,] a wise prince should establish himself on that which is his own control and not in that of others.”²

Nonetheless, interactions between human beings and their environment are complex. After all, at the most basic level, humans need living space, sustenance, and security to survive. Larger groups depend on their organizations or institutions to protect these interests. When the interests of people and of their institutions collide, conflict is inevitable. Historian E. H. Carr argues that in the nineteenth century, most wars did not arise over desire for increased trade or territory. Rather, the most serious wars, he concludes, were fought to make one’s military more capable or to prevent another’s military from becoming stronger.³ Nearly a decade into the 21st century, it seems that this has not changed. States react most energetically to perceived threats. This is not surprising, because human nature has not changed significantly since Thucydides’ time. Some balance of fear, honor, and interests will always motivate conflict.

Change in relative national strength often leads to conflict. A state seeking security by strengthening itself makes other states insecure.⁴ Because of this “security dilemma,” it becomes essential for states to be adept in discerning and predicting the outcomes of policies and actions between states so as not to disrupt the security balance in unintended ways.⁵ Theories of international relations attempt to explain why conflict arises and offer guiding principles for action. It is during times of relative peace that “ideas, then, can shape decisions, and decisions will re-shape ideas.”⁶ Policy is built on such ideas.

² Niccolo Machiavelli, *The Prince*, trans. W. K. Marriott (El Paso, TX: El Paso Norte Press, 2005), 258.

³ Edward Hallett Carr, *The Twenty Years' Crisis, 1919-1939; an Introduction to the Study of International Relations* (New York: Harper Perennial, 1964), 111.

⁴ Michael W. Doyle, *Ways of War and Peace: Realism, Liberalism, and Socialism*, 1st ed. (New York: W.W. Norton, 1997), 43.

⁵ The term ‘security dilemma’ was first used by John H. Herz, "Idealist Internationalism and the Security Dilemma," *World Politics* 2, no. 2 (1950): 157.

⁶ Doyle, *Ways of War and Peace*, 21.

Realism

Classical Realist thought centers on the belief that a natural human desire for military and economic power motivates states, rather than ideals or ethics. In Thucydides' nearly 2500 year-old historical record of the Peloponnesian War, the strong Athenians attempt to coerce the neutral border state Melos to yield "in the interest of our empire." The Athenians justify themselves by proclaiming, "The strong do what they can and the weak suffer what they must."⁷ The international system is anarchic—not because it is necessarily chaotic, but because there is no authoritative body of law which constrains the actions of states. The 17th century English philosopher Thomas Hobbes observed that there is no law above the state. States are "without a common power to keep them all in awe, they are in that condition which is called warre [sic],...the nature of War consisteth not in actuall [sic] fighting; but in the known disposition thereto, during all the time there is no assurance to the contrary."⁸ In the anarchic international arena, states behave selfishly just as individuals would in a "state of nature." States function internationally as rational, unitary actors, which seek after their own interests. They have a general distrust of long-term alliances or constraints. They may align, however, with others in order to look out for themselves. Cooperative power (through either balance of power or collective security) determines relations with other states. State power is primarily military and economic power, but may also be psychological. Humankind is inherently self-centered and competitive, resulting in a global condition where war is always a possibility.⁹

Neorealism, the prevailing modern view of political Realism, recognizes that the current state of power relations between the states drives the foreign policy of those states, not the human motivations of individual leaders described by Classical Realism. Described in a parsimonious theory by Kenneth Waltz, the international system of states is composed of structure (the system) and states within the structure (the units).¹⁰ States

⁷ Strassler, ed., *The Landmark Thucydides: A Comprehensive Guide to the Peloponnesian War*, 5.91, 5.89.

⁸ Thomas Hobbes, *Leviathan* (Radford, VA: Wilder Publications, 2007, Reprint of original 1651 work), 74.

⁹ Doyle, *Ways of War and Peace*, 18.

¹⁰ Kenneth N. Waltz, *Theory of International Politics* (Boston, MA: McGraw-Hill, 1979), 79.

endeavor to balance against one another to maximize their relative security. In Neorealism, the systemic, or structural, influences dominate. Policy choices attempt to maximize the strength of the state relative to the structure of the system to protect the state's interests.¹¹ Like in Classical Realism, the states in Neorealism represent unitary actors, pursuing their own interests while distrusting others. Security is a 'zero-sum' game with only relative gains between states. Distrust of others dictates that states must look out for themselves. This self-help system involves internal or external compensating—internally building up one's own capabilities or self-interested balancing externally through alliances.¹²

In his study of alliances, Stephen Walt observed that states do not always balance against the most powerful political entities, as Waltz's theory predicts. Rather, "it is more accurate to say that states tend to ally with or against the foreign power that poses the greatest threat."¹³ According to Walt, threat is the result of a conglomeration of factors, including aggregate power to obtain and mobilize resources, geographic proximity, offensive efficiency in power projection, and aggressive intentions.¹⁴ Walt concludes that the level of threat, as opposed to relative power, determines a state's foreign policy.

Liberalism

Critics of Realism note that it has a tendency to accept the competitive international environment, as it is, leaving no motivation to make matters better.¹⁵ Whereas the realist writer Machiavelli finds it "more appropriate to follow up the real truth of a matter than the imagination of it," others find it unappealing to accept the strength of existing forces and, therefore, devote themselves to improving the natural way of things through deliberate involvement.¹⁶ The tragedy of World War I (WWI) prompted the belief that there must be a better way to prevent war. US President

¹¹ Waltz, *Theory of International Politics*, 117.

¹² Waltz, *Theory of International Politics*, 118.

¹³ Stephen M. Walt, *The Origins of Alliances* (Ithaca, NY: Cornell University Press, 1987), 21.

¹⁴ Walt, *The Origins of Alliances*, 22-25.

¹⁵ Carr, *The Twenty Years' Crisis*, 89.

¹⁶ Carr, *The Twenty Years' Crisis*, 5.

Woodrow Wilson personified an idealist, or liberalist, view. Calling WWI “the war to end all wars,” he endeavored to create a League of Nations as an international institution to mitigate the anarchy of the international system. The framers envisioned a League that through “international co-operation” and “acceptance of obligations” would arbitrate and eradicate the propensity for armed conflict.¹⁷

Liberalism gives a policy role to international law and international organizations. It endeavors to transform the international environment from a state of conflict to one of an organized peace. To a large degree, it emphasizes exceptionalism by the strong and wealthy states whose dominant ideals are made to become the ideals of the international community, codified in international law. The “policy of the United States to seek and support democratic movements and institutions in every nation and culture” is an example.¹⁸ History’s apparent validation of the idea of Democratic Peace gives credence to such liberalist thinking.¹⁹ Whether democratic or not, a state’s internal philosophy, as opposed to external interests, becomes the goal of its foreign policy in Liberalism. The liberal melding of community ideas, arbitrating conflict through diplomatic consensus rather than physical conflict is the essence of the theory. In Michael Doyle’s descriptive view, “Rejecting the view of world politics as a ‘jungle,’ Liberals’ view of world politics is that of a cultivable ‘garden,’ which combines a state of war with the possibility of a state of peace.” The state is not a single actor with no resort but war, but a “conglomerate of coalitions and interests” with membership in the international institution.²⁰

As history attests, Liberalism failed to prevent a return to isolationism and nationalism after WWI. It also failed to manage the balance of power to prevent a new war. The ideas, however, endured in new, albeit more realist-leaning, institutions based on the rule of law and continuing engagement. The United Nations with its Security Council of nuclear states and the North Atlantic Treaty Organization are examples.

¹⁷ "The Covenant of the League of Nations," (The Avalon Project, 1924), http://avalon.law.yale.edu/20th_century/leagcov.asp, accessed 4 May 2009.

¹⁸ The White House, *The National Security Strategy of the United States of America* (Washington D.C.: Office of the President, 2006), 1.

¹⁹ Immanuel Kant, *Perpetual Peace*, trans. Mary Campbell Smith (New York: Cosimo, Inc., 2005), 10. Democratic Peace theory derives from Kant’s suggestion in *Perpetual Peace* that the majority of citizens in republics would not vote for offensive war.

²⁰ Doyle, *Ways of War and Peace*, 19.

Neoclassical Realism

Even Liberalists realize that if states are uncompromising in their claims to strict sovereignty or vital interests, the perpetual state of war that results in the anarchic international order is impossible to mitigate. Not every state participates willingly in the institutions established by the dominating world powers. Furthermore, domestic factors, in addition to systemic factors, usually play a significant role in determining a state's foreign policy. Carr notes that every realist is ultimately compelled to consider his actions thoughtfully on ethical or moral grounds, believing that the results of actions have meaning beyond oneself. Thus, he concludes, "Sound political thought must be based on elements of both utopia [ideal Liberalism] and reality [Realism]." ²¹ Similarly, Doyle deduces that in examining the international relations theories "in light of historical experience, each has a comparable advantage" over examination based solely on ideals, which differ state-to-state, in explaining international events and the foreign policy of states. ²²

Taken alone, Liberalism fails to acknowledge the role of the adversary and, instead, focuses on institutionalizing domestic values on an international scale. Likewise, Realism fails to allow for non-competitive cooperation and compromise among states to improve the international security environment, accepting the zero-sum structure of the international environment. Neoclassical Realism attempts to bring these two views together. Although not exclusive in such an attempt, Neoclassical Realism is distinctive in its retention of a systemic view while exposing the linkage through domestic factors to foreign policy creation. ²³

Neoclassical Realism derives from Neorealism the idea that systemic factors determine the general direction of policy. It also harkens to the view of Classical Realism that foreign policy is made at the state level by political leaders. Like

²¹ Carr, *The Twenty Years' Crisis*, 93.

²² Doyle, *Ways of War and Peace*, 34.

²³ Gideon Rose, "Neoclassical Realism and Theories of Foreign Policy," *World Politics* 51 (October 1998): 153-54, 70. Rose, for example, summarizes several theories of foreign policy that consider both external and internal influences in foreign policy creation; Neoclassical Realism uniquely considers a linkage between the two.

Liberalism, it recognizes that the domestic values intervene to shape the political judgments of the leaders.²⁴

Identifying this new branch of international relations theory, Gideon Rose explained, "In the neoclassical realist world leaders can be constrained by both international and domestic politics. International anarchy, moreover, is neither Hobbesian nor benign but rather murky and difficult to read. States existing within it have a hard time seeing clearly whether security is plentiful or scarce and must grope their way forward in twilight, interpreting partial and problematic evidence according to subjective rules of thumb."²⁵ Given the lessons of US involvement in wars abroad, it is obvious to many that some policy decisions derive from misinterpretations of the security environment.²⁶ In addition, similarly situated states often make different foreign policy choices. Moreover, states' foreign policies do not always follow what prevailing theories would predict.

Neoclassical Realism's combining of international and domestic factors is not simply a multi-level approach. Carr, who advocated a multi-level approach, recognized that a single-level approach to foreign policy, whether tied to Realism, Liberalism, or something else, is inadequate. Although primarily a realist, Carr suggested that policy should be based on a multi-level consideration of both Realism and Liberalism.²⁷ Carr's multi-level approach, however, like other multi-level methods, assumes variables at all levels to have independent effects on the outcome. Because the viewpoints of each level of analysis are largely disparate, without mutual cause and effect or other analytical linkage, useful application is limited. Multi-level examinations may lead to a more detailed analysis, but often have problems with implementation.

Neoclassical Realism, however, has advantages over ordinary multi-level analysis in its ability to link the causal effects of systemic factors through domestic considerations to arrive at an explanation for foreign policy decisions. In other words, it attempts to identify domestic factors that exhibit direct influence on a state's assessment of the "true"

²⁴ Brian Rathbun, "A Rose by Any Other Name: Neoclassical Realism as the Logical and Necessary Extension of Structural Realism," *Security Studies* 17 (2008): 311-12.

²⁵ Rose, "Neoclassical Realism and Theories of Foreign Policy," 152.

²⁶ Rathbun, "A Rose by Any Other Name," 320-21.

²⁷ Carr, *The Twenty Years' Crisis*, 93.

structure of the international environment, affecting foreign policy. The international environment guides policy choices, but its influence is translated through domestic, intervening variables.²⁸

As Rose suggests, one might question if the true nature of the international environment is discernable. If it is not possible to know the true nature of the environment, then there must be limits to formulation of an objectively efficient, or optimal, foreign policy.²⁹ First, there are human limitations to understanding the environment. Moreover, the relations among states represent a complex adaptive system. Any presumptuous policy, once enacted, generates ripples and compensations in the environment that change previous understanding of the system. Second, a state's domestic constraints might lead to a biased view of the security environment. In some cases, domestic factors might distract the state from external issues resulting in an incomplete assessment of the environment. In other cases, differentials between the intent and ability of a state to execute its policy might hinder an otherwise appropriate foreign policy. Third, the conscious or unconscious identity or persona of the state might lead to a predisposition to a particular view detached from imperatives of the system. In any of these conditions, foreign policy results from an imperfect view of the true external security structure and international relations environment.

That states have an imperfect view of the international environment does not imply that the foreign policy decision-making process is irrational, or even erroneous. Rather, knowing that the input is imperfect for one reason or another suggests the need to assess both the systemic context of the security environment and the intervening domestic values or issues. By so doing, Neoclassical Realism becomes an effective tool for robust analysis of historical policies. In like manner, the theory facilitates optimal foreign policy decision-making through introspection to discover possible intervening factors and estimate their possible effects.

²⁸ Rose, "Neoclassical Realism and Theories of Foreign Policy," 146.

²⁹ Jeffery W. Taliaferro, Steven E. Lobell, and Norrin M. Ripsman, "Neoclassical Realism, the State, and Foreign Policy," in *Neoclassical Realism, the State, and Foreign Policy*, ed. Steven E. Lobell, Norrin M. Ripsman, and Jeffery W. Taliaferro (Cambridge, UK: Cambridge University Press, 2009), 4.

Conventional multi-level theories view the formulation of foreign policy as a process based on the sum of external factors and domestic or internal constraints, quantitatively stated as $P = E + D$. Neoclassical realism views the formulation of foreign policy as correlating to external factors as affected by, or as a function of, certain intervening domestic factors, $P = E(D)$. Graphically, as shown in Figure 1,



Figure 1: The Function of the Intervening Variable

Defining the Intervening Variable

Since Rose's 1998 naming of Neoclassical Realism as a developing theory of international relations, many authors have endeavored to apply and advance Neoclassical Realism and its concept of a variable intervening in foreign policy decision-making. In the literature, the intervening variable is often identified as a particular domestic factor that negatively modifies a state's view of the external environment in a given policy context.³⁰ Neoclassical Realist authors have variously chosen intervening variables ranging from leaders' perceptions of threats, to ability to mobilize domestic resources, to belief systems that drive thinking.³¹ Whatever the source, domestic factors are shown in each application to prevent otherwise objective reactions to threats.

³⁰ Rathbun, "A Rose by Any Other Name," 312.

³¹ Taliaferro, Lobell, and Ripsman, "Neoclassical Realism, the State, and Foreign Policy," 4. For example, threat perception is a primary variable in Steven E. Lobell, "Threat Assessment, the State, and Foreign Policy: A Neoclassical Realist Model," in *Neoclassical Realism, the State, and Foreign Policy*, ed. Steven E. Lobell, Norrin M. Ripsman, and Jeffery W. Taliaferro (Cambridge, UK: Cambridge University Press, 2009), 42-74. Mobilization of resources is a variable in Jeffery W. Taliaferro, "State Building for Future Wars: Neoclassical Realism and the Resource Extractive State," *Security Studies* 15, no. 3 (2006). National beliefs, or ideology, are a variable (with positive effect on long-term policy outcomes) in Aaron L. Friedberg, *In the Shadow of the Garrison State: America's Anti-Statism and Its Cold War Grand Strategy* (Princeton, NJ: Princeton University Press, 2000).

In order for Neoclassical Realism to maintain the parsimony of its predecessor, Neorealism, as a practical theory, the intervening variable must be defined such that it is general enough to cover a useful majority of policy cases, yet specific enough to analyze a specific case of interest. Arbitrary or ad hoc selection of domestic factors as intervening variables does not facilitate an academically robust analysis and undermines the theoretical strength of Neoclassical Realism.

It is useful, therefore, to generalize the intervening variable model to permit a broader and more robust theory of Neoclassical Realism that is widely applicable in analysis of foreign policy. This generalization does not attempt to select a particular variable to be applied globally in foreign policy analysis. Such an approach is no better than an ad hoc approach to variable selection that limits broad application. The actual variable that intervenes in the making of a given policy will remain context and state dependent. Instead, this generalization categorizes the set of possible intervening factors by their effect on policy-making. Doing so enhances Neoclassical Realism's usefulness as both a descriptive model and a predictive tool for intelligent analysis of foreign policy via a carefully and appropriately considered intervening variable.

A survey of Neoclassical Realism application shows that domestic factors generally fall into one of three categories based on the intervening effect on decision-making:

- 1) factors that obscure perception of the "true" international environment due to uncertainty or ignorance;
- 2) factors limiting intended or potential application of state capabilities or mobilization of resources and national will, affecting the state's ability to act prudently; and
- 3) factors related to national identity or personality based in overriding beliefs, fears, honor, or interests, which artificially focus policy toward promotion of internal ideals.

Remaining true to the unitary-actor principle of Realism, the domestic factors are considered manifest in the state's leadership. Therefore, it is both useful and appropriate to correlate and name these three categories of intervening variables according to

personified attributes, namely Perception, Potential, and Personality, respectively. This also simplifies reference to each throughout the analysis. Establishment of these three categories of possible domestic factors permits robust and efficient analysis of foreign policy decisions by simplifying, without neglecting, the identification of appropriate intervening variables. The function of the intervening variable becomes, as shown in Figure 2,

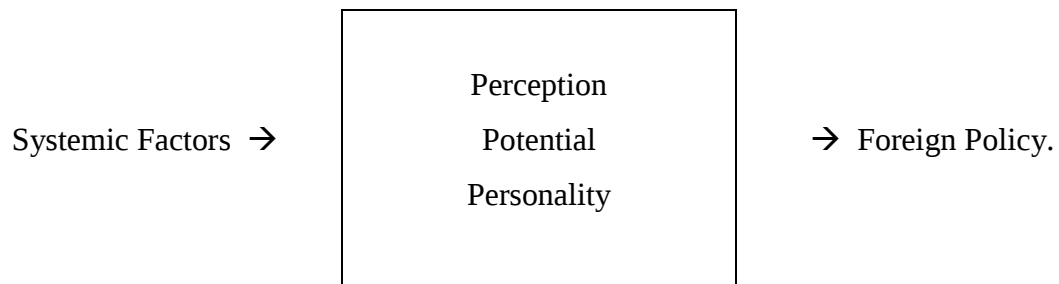


Figure 2: Naming the Intervening Variable

The intervening variable accounts for ambiguity in the relationship between international relations and foreign policy creation. Like any social science, international relations theory is a simplification. Theory reduces a complex system to an understandable model. Relying only on the influence of external variables to understand foreign policy is shortsighted and risky. Reliance on internal variables is insufficient. Rather, recognizing that domestic variables act upon or distort the influence of the primary external variables is the key. This connection between external and internal variables makes Neoclassical Realism more useful than purely structural theories or conventional multi-level theories in analyzing the link between international relations and foreign policy. Categorizing the intervening variables in foreign policy analysis as Perception, Potential, or Personality generalizes the theory to permit broad application without loss of fidelity through arbitrary or limited consideration of variables.

Methodology

This paper uses Neoclassical Realism and the generalized intervening variable model described in this chapter to analyze the reasons for the JADSC, a policy departure from the long-standing US-centered hub-and-spoke security framework in the Pacific region. As Rose notes, "Because neoclassical realism stresses the role played by both

[external] independent and [domestic] intervening variables, it carries with it a distinct methodological preference—for theoretically informed narratives...that trace the ways different factors combine to yield particular foreign policies.”³² The generalized model of intervening variables is used to identify domestic factors that affect the foreign policy decisions by each state involved in the JADSC.

According to the model, the distribution of power in the Pacific region is the independent variable in the analysis. Domestic factors affecting foreign policy actions are the intervening variables. The foreign policy decision to depart from the strict hub-and-spoke paradigm for security in the Pacific region is the dependent variable.

This chapter identified prevailing theories of international relations. Realism (both Classical Realism and Neorealism) are system-level theories that favor either the nature of human relations between leaders of states who balance their interests to maximize benefits, or the nature of international relations between states who balance their national power to maximize their power with respect to their neighbors. Liberalism attempts to improve relations between states by emphasizing the internal values of powerful states. States endeavor to extend their beliefs internationally to create laws or institutions to constrain or improve relations. Neoclassical Realism, like Neorealism, recognizes the influence on foreign policy of the distribution of power in the external environment, but reclaims from Classical Realism and Liberalism attention to human and domestic political motivations that influence national decision-making. The imperatives of the security environment are viewed as refracted through the domestic factors. Foreign policy decision-making must accept this distorted view of the environment.

This thesis uses the theory of Neoclassical Realism as its analytic tool for its ability to link influences outside the state through intervening domestic variables to explain the policy actions of states. Neoclassical Realism is a powerful tool for explaining seeming anomalies in state actions with respect to realities in the security environment. The theory is developed beyond the arbitrary or ad hoc selection of intervening variables to provide a framework for more robust analysis. In doing so, the

³² Rose, "Neoclassical Realism and Theories of Foreign Policy," 153.

model categorizes intervening variables in terms of Perception, Potential, and Personality.

The next chapter examines the historical and modern factors that both establish the structural distribution of power in the Pacific region and set conditions for current perceptions, domestic friction, and overriding ideals driving foreign policy decisions. This sets the stage for analysis of the JADSC in later chapters.

Chapter 3

Relations in the Pacific Region

Historical Factors

The strategic political history of the Pacific region defines the roots of the external structural environment in which states of the region interact. Historical relations, culture, and nationalistic sensitivities also continue to mold the strategic environment in the Asia-Pacific region today. Unfortunately, this is often overlooked or under-considered by many involved in the creation of US policy related to the region. Neoclassical Realism uses these systemic factors as the structural basis for foreign policy decision-making. The history also reveals the origins of factors that affect foreign policy decision-making, resulting in decisions that do not always conform to objective structural assessments. Perception, Potential, and Personality are evident as intervening variables in historical relations in the Pacific. In addition to enduring balance-of-power factors that dominate the strategic environment, historical paradigms discussed in this section reveal variables that endure to intervene in modern foreign policy decision-making. Furthermore, recalling the history of the Pacific region gives opportunity to apply the terminology and definitions of Neoclassical Realism in a practical and well-known context.

Neorealism predicts state balancing strategies based entirely on the state's reaction to structural, or system-level, factors. Kenneth Waltz argues that states will balance among themselves according to the prevailing distribution of power in order to survive.¹ Walt's modification to Waltz's argument claims that not all powerful states are aggressive toward their neighbors, and therefore, states balance according to threat, which is a function of power, geography, capabilities, and intentions.² The two theories remain essentially the same in describing state actions from a system-level point of view. They differ to the degree that Perception of capabilities and intentions are accurately assessed. Figure 3 summarizes Neorealism's predictions of state balancing strategies. In

¹ Waltz, *Theory of International Politics*, 125.

² Walt, *The Origins of Alliances*, vi.

a unipolar or bipolar environment, great powers, lacking a peer ally, are left to themselves to balance internally by developing their own capabilities. Lesser states balance externally by allying with a great power. There is little incentive for lesser states to ally among themselves. In a multipolar environment, all states balance both internally and externally according to their judgment of relative power.

	Unipolar	Bipolar	Multipolar
Great Power(s)	Internal (against potential threats)	Internal (against other great power)	Internal and External
Lesser State(s)	External (ally with great power)	External (ally with one or the other great power)	Internal and External

Figure 3: Neorealism’s Prediction of State Balancing Strategy as a Function of the Number of Great Powers (Poles) in the International Environment

It is impossible to discuss security in the Pacific region without understanding China’s ongoing powerful role in the region’s affairs. Historically, China was the dominant political power on the East Asia mainland. Its relative power and relations with other states in the region demonstrate structural elements and expectations that endure today. China’s relations also highlight the role of Perception and Potential as intervening variables in its foreign policy.

Throughout history, island geography allowed Japan to maintain political independence from China. Despite freedom to choose its own policy, Japan’s frequent choice of seclusion demonstrates the impact of Personality in its policy toward other states.

Australia, like Japan, benefitted from its geographical remoteness. Historically, Australia’s Perception of security enabled its policy of relative isolation and autonomy. In Australia’s case, it appears that Perception was historically very close to reality (i.e., no obvious example of systemic correction to redirect its position following a shortsighted policy choice). Modern globalization changed Australia’s Perception of its

security needs, diminishing some the importance of this structural factor in policy-making.

Historical Patron

Relations in the Pacific derive largely from the history of China's power in the region. China has long viewed itself as the Middle Kingdom with hegemonic authority over surrounding states. It views its leader as a 'child of heaven' who rules under a 'mandate from heaven.' This is an imperial concept and China has always been an empire. Leaders from Xia to Mao have claimed the legitimizing mandate.³

Historically, China was the unipolar power. China viewed surrounding states as barbaric until brought under its ideological umbrella. China maintained a patron-client relationship with other states in the region. China's strength as a patron varied with the strength of its ruling emperor. Loss of the 'mandate from heaven' meant loss of political power and the ability to act as a political hegemon over its client vassals. The external imperative of China's relative power induced client states to adopt China's political philosophy and pay tribute in return for a measure of autonomy and a loose promise of protection. In this sense, each state allied individually with China, lacking incentive for formal relationships with other neighboring states. The relative distribution of power in China's favor drove the bilateral relationships. This follows Neorealism's expectation for states in a unipolar international environment.

Periods of China's weakness resulted in greater political independence by the client states and more flexibility granted by the former patron. Departure of the hegemon resulted in greater national ambition and liberty in foreign policy. Similarly, sensing abandonment by China drove states to increase political involvement with neighboring states, allying with others to protect themselves from belligerent states. This follows the Neorealism's expectation in a multi-polar environment. Additionally, it highlights that Perception of power relations matters in foreign policy decisions. The impact of China's relative power on the foreign policies of vassal states is shown in Figure 4.

³ Judith F. Kornberg and John R. Faust, *China in World Politics: Policies, Processes, Prospects* (Vancouver, B.C.: University of British Columbia Press, 2005), 30.

	Strong China	Weak China
Vassal States	Loyal Client Allied with China	Increased Political Autonomy Allied with neighbors

Figure 4: Impact of Hegemonic Power on Vassal States

In testimony presented to the US House of Representatives, China expert Steven Mosher described the historical factor in China's grand strategy. He reported that the founder of the People's Republic of China specifically and repeatedly declared a policy of hegemony.

The leader of the Chinese Communist Party believed that China's historical greatness, no less than Communism's universalism, demanded the reconstruction of the Qing Empire that had collapsed nearly 40 years before. Lost territories must be recaptured, straying vassals must be recovered, and one-time tributary states must once again be forced to follow Beijing's lead. Military action—engaging the Japanese invaders, defeating the Nationalists, and capturing the cities—had delivered China into his hands. Now military action would restore the empire.⁴

Structural Realism dictates that a return to hegemony follows a corresponding growth in relative power. China's recent growth contributes to the significance of China as a Pacific great power. For example, China's military expenditure of 4.30% of GDP is the highest in the Pacific. By comparison, expenditures of other Pacific states are the United States at 4.06%, Australia at 2.4%, South Korea at 2.3%, and Japan at 0.8%.⁵ National power, however, is made not just by militaries and resource-rich territory, but also by a strong economy. China's economic policy reforms in 1978 referred to as 'socialism with Chinese characteristics' led to economic growth that continues today. China's economy grew faster than any other state over the past 25 years with an annual

⁴ Steven W. Mosher, "Does the PRC Have a Grand Strategy of Hegemony?," in *Testimony Presented to the U.S. House of Representatives Subcommittee on Oversight and Investigations, International Relations Committee* (Washington, D.C.: U.S. House of Representatives, 14 Feb 2006).

⁵ Central Intelligence Agency, *The World Factbook 2009* (New York: Skyhorse Publishing, 2008).

GDP growth rate of over 10% each year through 2007.⁶ With a 2008 GDP of \$7.8 trillion, China is second only to the United States as a trading state.⁷ China is both Australia's and Japan's largest trading partner. Mosher's testimony and evidence of China's recent military and economic growth reinforce the possibility of China's return to its historical position as a regional patron.

The Client State

If China is the historical patron, then which are the vassals, or client states? Korea and Vietnam are prominent examples of client states under China's historical patronage. Korea was an ideal client. It honored China's culture and Confucian philosophy, paid tribute, and reaped the benefits of China's protection as seen in response to Japan's fatal 16th century expedition. Vietnam, partly because of its distance from China, perceived greater latitude to exercise its own political vision. Although repeatedly annexed and dominated as a vassal of China, China was unable to muster enough continuous strength to maintain political control over Vietnam. That China maintained its policy to dominate Vietnam but was unable to mobilize national strength to enforce political control is an example of China's inability to overcome Potential. This factor limited application of its chosen foreign policy. Additionally, Vietnam's rejection of China's control shows the role of Perception in Vietnam's policymaking.

Although Japan also is a neighbor of China, an ocean barrier protected it from China's political-military influence. Japan's Perception of invulnerability due to the dominating factor of geography left Japan free to choose variously foreign policies of engagement or isolation. During the 200 years preceding the mid-19th century arrival of the US Navy at the port of Japan's capital, Japan's leadership chose a policy of strict isolation due to an overriding domestic fear of outside influences weakening its ability to control its population. This is an example of a state's Personality intervening in its foreign policy. By the mid-19th century, isolation was no longer a prudent policy with respect to the regional distribution of power. Commodore Perry's show-of-force to

⁶ The Associated Press, "Chinese Economy Slows to Still Sizzling 11.5% Growth," *USA Today* 25 Oct 2007.

⁷ Central Intelligence Agency, *The World Factbook* 2009.

coerce Japan to revise its policy and open its ports to trade describes a systemic correction of Japan's systemically incongruent foreign policy.

Australia's strategic environment resembled Japan's due to its remote geography. To an even greater degree than Japan, a vast ocean separated it from the mainland. Nonetheless, Australia existed in a patron-client security relationship, pre-WWII with the United Kingdom and post-WWII with the United States. Australia benefited from its patron while enjoying relative freedom from both external politics and external threats. Although Australia felt relatively safe from invasion by foreign armies, its 1901 "White Australia" policy that endured into the modern era shows that it feared instability from cultural or racial invasion⁸. This is an example of Personality driving a foreign policy that, in the end, was not realistic or maintainable. Australia abolished this policy in 1973.⁹ Maritime security and terrorism threats are increasingly common throughout the Pacific region, making Australia's external environment more common with other states in the region. As advances in transportation effectively shrunk the globe and brought the influence of surrounding states virtually closer to Australia, its Perception of the new nearness of external threats has played increasingly in the outward focus of Australia's foreign policy. Figure 5 summarizes the historical independent and intervening variables of the Pacific states.

⁸ Government of Australia Department of Immigration and Citizenship, "Fact Sheet 8 - Abolition of the 'White Australia' Policy," (2007), <http://www.immi.gov.au/media/fact-sheets/08abolition.htm>, accessed 6 May 2009.

⁹ Australian Government, *Abolition of the 'White Australia' Policy* (Canberra: National Communications Branch, Department of Immigration and Citizenship, 2007), <http://www.immi.gov.au/media/fact-sheets/08abolition.htm>, accessed 19 May 2009.

	Independent Variable	Intervening Variable/Dependent Variable		
	Structural Role	Perception	Potential	Personality
China	Patron		Change in policy toward Vietnam	
Korea	Client	Loyalty to China		
Vietnam	Client	Autonomy from China		
Japan	Independent	Independence due to geography		Seclusion Policy
Australia	Independent	Isolation		'White Australia'

Figure 5: Historical Intervening Variables

Modern Strategic Imperatives

Regrettably, both the American people and their governments tend to seek universals in foreign policy, trying to apply the same policies to all countries despite their differences. We seem to have a similar naiveté in viewing all nations as either close friends of implacable foes, with no middle ground.

*George F. Kennon
Memoirs: 1925-1950*

In addition to historical and geographical factors, the modern distribution of power affects the nature of international relations. Historical and geographical factors form the substrate of the environmental structure. The current distribution of power, evident in enduring alliances, forms the visible layer. The combination of the two forms the independent variable in this Neoclassical Realism approach. This section discusses the modern influences on the distribution of power in the Pacific region, largely resulting

from the outcome of WWII. As in the previous section, intervening variables are observed and noted.

In assessing the modern security environment, it is useful, as stated above, to consider enduring political alliances as part of the international system's structure. To a Waltzian purist, who sees alliances as temporary choices of the unit-level states, this may be an uncomfortable stretch. In Waltz's Neorealism, structure is carefully limited to external influences on states. These external influences do not arise from choices made by the states.¹⁰ For Waltz, structure is "how [the units] stand in relation to one another (how they are arranged or positioned)."¹¹ It represents, therefore, the arrangement of the physical entities in the system and the constraints they impose on the system, not how they act.¹² In his model, the external structure determines the environment in which the states are constrained to act according to prudent power-balancing rules.

Some theorists consider alliances in their definition of structure. Glenn Snyder explains, "Alignments are akin to structure, however, since they have to do with how resources and capabilities are aggregated in the system [as a whole]. They supplement structure by specifying in more detail 'how units stand in relation to one another.'"¹³ States, once allied, are dependent upon one another and aggregate power among themselves against their common foe. In the realm of real-time foreign policy-making, alliances are often pre-existing and immovable, much like other structural elements. Seen from the point of view of an individual state, enduring alliances resemble system-level features that characterize the relative distribution of power and constrain choice in policy.

Waltz's definition served his purpose in establishing a strict, system-level theory that describes the nature of international relations, without regard to the internal character of states. The Neoclassical Realism approach used here, however, is not strictly a system-level approach. It retains Neorealism's system-level structure, but also hearkens

¹⁰ Waltz, *Theory of International Politics*, 73.

¹¹ Waltz, *Theory of International Politics*, 80.

¹² Waltz, *Theory of International Politics*, 73-74.

¹³ Glenn H. Snyder, *Alliance Politics* (Ithaca, NY: Cornell University Press, 1997), 22.

back to Classical Realism, which returns a measure of emphasis to factors within the state.¹⁴

Neoclassical Realism still benefits from a separation of the external, systemic influences from the internal, unit factors. Although perhaps less rigorous from a strictly system-level view, it allows, however, an expanded construction that includes enduring alliances as part of the structure. Whereas Waltz bases his definition of structure on the power asymmetries between the states, this modified definition considers the power asymmetries between allies. Constrained by this slightly wider definition of international structure, individual states are left to make foreign policy in much the same way as described by Neorealism: the system conditions state behavior, and states respond as they must.¹⁵ The framework of alliances with the United States established in the Pacific region after WWII is considered a suitably enduring structure with respect to analysis of the JADSC.

The Pacific Security System: The Hub and Spokes

In the aftermath of WWII, the threat of Communism grew to extreme proportions in the Pacific. The USSR quickly claimed Japan's northern territories and established its influence in North Korea with moves resembling its actions in Eastern Europe. The October 1949 triumph of the Communists in China and the outbreak of the Korean War in June 1950 confirmed US fears of Communist expansion in the Pacific.¹⁶ Containment of the Soviet Union and Communism became the United States' postwar grand strategy.¹⁷ George Kennan, the US State Department diplomat whose assessments inspired that policy, believed that a demilitarization of Japan and quick peace treaty with Japan would leave Japan vulnerable to Soviet influence. As a result, the State Department policy planning staff concluded, "Japan cannot possess an independent

¹⁴ Norrin M. Ripsman, "Neoclassical Realism and Domestic Interest Groups," in *Neoclassical Realism, the State, and Foreign Policy*, ed. Steven E. Lobell, Norrin M. Ripsman, and Jeffery W. Taliaferro (Cambridge, UK: Cambridge University Press, 2009), 176.

¹⁵ Ripsman, "Neoclassical Realism and Domestic Interest Groups," 174.

¹⁶ Kenneth Pyle, *Japan Rising: The Resurgence of Japanese Power and Purpose* (New York: Public Affairs, 2007), 221.

¹⁷ Department of State, "U.S. Objectives with Respect to the USSR to Counter Soviet Threats to U.S. Security, NSC 20/4," *Foreign Relations of the United States* Vol. 1 (1948).

destiny. It can function only as an American or a Soviet satellite.”¹⁸ Accepted by the National Security Council and approved by the President, the emphasis in Japan shifted “to the task of bringing the Japanese into a position where they would be better able to shoulder the burdens of independence” under the leadership of the United States.¹⁹ The US policy concerning the occupation of Japan went through a “reverse course” from liberalist reform to realist recovery.²⁰

Like in Western Europe, the United States sought solutions to three challenges: balance against Communism, prevention of revived militarism in former Axis powers, and security for states in the region. Although Western Europe settled on a model for security from Communism and a resurgent Germany based on multilateralism in the North Atlantic Treaty, the Pacific states strongly rejected the idea. In early 1950, the State Department began planning a Pacific Pact to both temper relationships and strengthen collective security in the Pacific. The pact would leave US troops in Japan, permit Japan limited rearmament, and reassure other US allies in the region, such as Australia, New Zealand, and the Philippines, that they would be safe from a repeat of Japanese aggression.²¹

Whereas the Soviet threat in Europe demanded rearmament by West Germany and an associated assurance of collective security, the United States’ early policy of demilitarization of Japan and Japan’s strong pacifist reaction to its own past made involving Japan in a collective security agreement unfeasible. Notably, Supreme Allied Commander in the Pacific, General Douglas MacArthur, supported a vision of a neutral Japan. Prior to war breaking out on the Korean peninsula, he advocated, “Japan should become the Switzerland of the Orient.”²² Australia, which would become the major democratic component to any arrangement in the region, asserted that a regional agreement was in their interest to give them a voice in security decision-making.

¹⁸ Pyle, *Japan Rising*, 221.

¹⁹ George F. Kennan, *Memoirs: 1925-1950* (Boston, MA: Atlantic Little Brown, 1967), 391. Quoted in Pyle, *Japan Rising*, 221.

²⁰ Pyle, *Japan Rising*, 222.

²¹ Pyle, *Japan Rising*, 223.

²² Yoichi Funabashi, *Alliance Adrift* (New York: Council on Foreign Relations Press, 1999), 450. Funabashi notes that MacArthur maintained this position until a month before the outbreak of the Korean War and published it in the May 1950 issue of *Readers’ Digest*.

Representative of many states in the region, Australia feared Japan's role in an "equal" treaty without significant guarantees from the United States to ensure protection from military resurgence in Japan.²³ Consequently, the United States set aside planning for a European-style collective security arrangement, and instead devised a unique US-led containment strategy for the Pacific made primarily of bilateral agreements.

At the 1951 conference in San Francisco convened to conclude the peace treaty with Japan, the parties also concluded a security treaty between the United States and Japan satisfying Japan's desire "that the United States of America should maintain armed forces of its own in and about Japan so as to deter armed attack upon Japan."²⁴ The United States negotiated security treaties with the Philippines (bilateral agreement) and with Australia and New Zealand (tripartite agreement). Within a couple of years, the United States signed similar security treaties with South Korea (1953), Taiwan (1954), and Southeast Asian Treaty Organization, a consultation-only agreement (1954).²⁵ These security treaties bound each ally to the United States, but did not bind the allies among themselves.

Comprised of discrete bilateral, and one trilateral, agreements, the Pacific security arrangement later became known as the San Francisco security system, taking the name of the peace conference where the initial treaties were signed. More commonly, it was known as the "hub-and-spokes alliance structure," because of the discrete bilateral connections sharing only a common vertex with the United States.²⁶ The security treaty with Japan recognizes, "Japan will itself increasingly assume responsibility for its own defense."²⁷ Article VIII of the treaty with Australia and New Zealand more specifically documents the mutual desire for a more robust Pacific agreement in the future, "Pending the development of a more comprehensive system of regional security in the Pacific

²³ "Memorandum of Conversation by the Secretary of State, New York, 18 September 1950," *Foreign Relations of the United States* VI (1950): 222.

²⁴ The United States of America, "Security Treaty between the United States and Japan," (September 8, 1951).

²⁵ "The Avalon Project: Documents in Law, History and Diplomacy," (Yale Law School, Lillian Goldman Law Library), http://avalon.law.yale.edu/subject_menus/20th.asp, accessed 17 April 2009.

²⁶ Pyle, *Japan Rising*, 225.

²⁷ The United States of America, "Security Treaty between the United States and Japan," Preamble.

Area.”²⁸ Within five years, Japan transformed from a defeated enemy to the United States’ key ally in the Cold War security regime in the Pacific. Pacific security fell under an umbrella of US agreements.²⁹ Secretary of State Dulles deferred, but did not rule out later discussion of a greater participatory role for Japan, Australia, and other allies in regional collective security actions.³⁰

Perhaps it was presumptive for the United States to expect both Europe and the Pacific to adopt similar security frameworks. The historical structural analysis suggests an explanation. Europe’s pre-war history of security based on a multilateral balance of power served to precondition the states for a multilateral arrangement. In the Pacific, however, multilateralism was not the historical paradigm. Rather, China expected a position that facilitated a return to its former dominance. It more or less got one via its Communist link to the Soviet Union. Lesser states expected protection from their neighbors. Moreover, because of its wartime aggression, Japan had no regional allies—a position which resembled a continuation of its historical independence. Japan’s historical seclusion resulted from geography and choice. After the war, many of its neighbors forced it into political exile. In fact, these states viewed protection against Japan as essential. The United States needed to ensure that Japan remained an ally against the Soviet Union and Communism.

Neorealism predicts accurately the relationships among the Pacific states that formed because of Cold War threats. Viewing the polarity of the power structure among the Pacific allies, specifically, as unipolar, the US allies in the Pacific (including Japan), defaulted to a familiar patron-client relationship with the United States as the new patron. Viewing the polarity of the overall regional balance of power, including the Soviet Union, as bipolar, the states aligned with one of the two superpowers. With superpowers as their allies, there was little incentive, as Neorealism predicts, for balancing among themselves.

²⁸ The United States of America, "Security Treaty between the United States, Australia, and New Zealand (ANZUS)," (September 1, 1951), Article VIII.

²⁹ Pyle, *Japan Rising*, 225.

³⁰ "Memorandum by Mr. Robert A. Fearey of the Office of Northeast Asian Affairs, Canberra, 14 February 1951," *Foreign Relations of the United States VI* (1951): 858. Also, "Provisional Memorandum," 0849.

Maturing Security Roles

Although a North Atlantic Treaty-like security arrangement was not established in the Pacific, the states gradually established regional institutions serving their various interests. Building on the hub-and-spoke security treaties, the institutions focused on both military and economic ends.

Japan, benefitting greatly from post-war economic growth without the burden of providing for its own defense, deftly parried US suggestions to increase its defense spending and participation by referring to Article IX of its US-written constitution. The article establishes, "The Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes. In order to accomplish the aim of the preceding paragraph, land, sea, and air forces, as well as other war potential, will never be maintained. The right of belligerency of the state will not be recognized."³¹ Throughout the Cold War, Japan was content to rely on US extended deterrence. The US-Japan Security Alliance continued to suit the interests of both countries. It also suited the wider region.³²

The United States provided a security umbrella over Pacific states in part to allow for economic development. From as early as 1952, it is clear that the United States deliberately subordinated its economic interests with respect to Japan for security in the Pacific. One government official expressed the prevailing sentiment:

The most highly industrialized country in the Far East must remain outside the Soviet orbit if there is to be a free Asia, and to this end U.S. policy should be directed by whatsoever means are necessary, military or economic, to assist in the establishment of political tranquility and economic betterment in all of free Asia,...and until it is clear that Japan can stand firmly on its own feet, the United States must of necessity lend support, even to the extent of providing an unrestricted market for such Japanese goods as American consumers find attractive.³³

³¹ The Government of Japan, "The Constitution of Japan," (Office of the Prime Minister, November 3, 1946), Article IX.

³² Robyn Lim, "Australia's New Security Agreement with Japan," *Defender (Australia Defence Association)* Autumn (2007): 13.

³³ Quoted in Pyle, *Japan Rising*, 249.

Both the Kennedy and Johnson administrations continued to give priority to Japanese economic development as a means to ensure stability in Japan.³⁴ As the economic strength of Japan grew, however, the United States increased pressure on Japan to take on an increased share of the defense burden in the region. During the Nixon administration, this pressure on the issue of Japan's role in collective security coincided with the possible return of Okinawa. Regarding all states in Asia, President Richard Nixon declared, "We shall furnish military and economic assistance when requested in accordance with our treaty commitments. But, we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense.... The defense of freedom is everybody's business, not just America's business. And, it is particularly the responsibility of the people whose freedom is threatened."³⁵ Japan was the only major allied power in the Pacific not to supply troops for the Vietnam war. Australia sent over 60,000, South Korea sent more than 300,000.³⁶ New Zealand, Thailand, Taiwan Republic of China, and the Philippines also sent troops.³⁷ The Japanese resisted, offering purse in lieu of presence.³⁸

By the 1980s, it was obvious to the world that Japan's focus on economic policy while leaving security policy to the United States was a success. Economic success translated into the potential for Japan finally to take a greater role in regional security. For the first time since the end of WWII, Japan had a prime minister that was willing to take steps in that direction. In 1982, Prime Minister Nakasone wrote, "I have made it one of my political goals to transcend the so-called San Francisco system."³⁹ He envisioned a "new era" where Japan would "make good use of its capability as an economic major power from the standpoint of international politics."⁴⁰ Nakasone sought a defense

³⁴ Pyle, *Japan Rising*, 250.

³⁵ Richard M. Nixon, "Presidents Nixon's Speech on Vietnamization," (November 3, 1969), <http://vietnam.vassar.edu/doc14.html>, accessed 18 April 2009.

³⁶ The Government of Australia, "Australian War Memorial, Vietnam War 1968-1975," <http://www.awm.gov.au/atwar/vietnam.asp>, accessed 18 April 2009. Also, Pyle, *Japan Rising*, 254.

³⁷ LTG Stanley Robert Larsen and BG James Lawton Collins Jr., *Allied Participation in Vietnam* (Washington D.C.: Department of the Army, 1985), v, vii.

³⁸ Pyle, *Japan Rising*, 254.

³⁹ Quoted in Pyle, *Japan Rising*, 270.

⁴⁰ Quoted in Pyle, *Japan Rising*, 273.

buildup to support his vision, breaking, although only slightly, through the virtual limitation of one percent of Gross National Product on defense spending and loosening policy regarding export of military technology to the United States.⁴¹

Japan had become an international economic power with a 37-billion dollar trade surplus with the United States.⁴² For those who were not aware of the specific security policies that deliberately permitted Japan's growth, and undoubtedly for some that did, the time seemed ripe for new approaches. Responding to growing protectionist sentiment, Secretary of State George Shultz explained, "Japan is a special case."⁴³ Ambassador Mike Mansfield, who was a leveler in US-Japan relations, felt obliged, though, to caution Japan's Nakasone cabinet that the Reagan administration possessed "weakening ability to fight growing protectionism in Congress."⁴⁴ Despite being a fulfillment of the on-going US policy to ensure stability in Japan to balance against the Soviet Union, the trade imbalance became a politically important issue for Congress.

Australia also benefitted in the decades following its security treaty with the United States. Through the pact, Australia gained access to advanced, US military technology and strategic intelligence. The United States also gained from its relationship with Australia. Australia's efforts contributed to security in the South Pacific. Australia's geostrategic position also provided needed locations for continuous joint intelligence, communications, and space control. This cooperation was essential for verifying Soviet arms control compliance and, in later years, supported missile defense activities.⁴⁵ During the same period, the Soviet Union increased its activities in the South Pacific, expanding its fleet posted in Vietnam and supporting Communist insurgencies in the Philippines, New Caledonia, Papua New Guinea, and Vanuatu. Policy analysts noted Australia's efforts to adapt its defense policy to respond to growing

⁴¹ Pyle, *Japan Rising*, 273.

⁴² Roger Buckley, *US-Japan Alliance Diplomacy, 1945-1990* (New York: Cambridge University Press, 1992), 145.

⁴³ Quoted in Buckley, *US-Japan Alliance Diplomacy, 1945-1990*, 145.

⁴⁴ Quoted in Buckley, *US-Japan Alliance Diplomacy, 1945-1990*, 145.

⁴⁵ Richard D. Jr. Fisher, *Australia's Hawke Visits Reagan as New Challenges Emerge in the South Pacific* (Washington D.C.: Heritage Foundation, 1988).

threats in the Pacific.⁴⁶ Although Pax Americana enabled development and economic growth in Japan and throughout Asia, Cold War threats also continued.

Much is written on Japan's creation of remarkable economic institutions and policies and the resulting economic growth. One Japan historian and analyst points out that the studies "praise it as a viable alternative to classical liberal political-economic theory." He calls out such thinking as an "inside-out" approach that largely ignores the unique external environment. He explains,

The Japanese model succeeded not simply through the brilliant strategic planning of its bureaucrat-intellectuals, although there was plenty of that, but also through uniquely favorable international conditions. Japan's ability to pursue developmentalist policies with such success in the postwar era was in great part contingent on the special circumstances of the Cold War.... It was the crowning achievement of the characteristic approach of adapting domestic institutions to the external order.⁴⁷

US control of the international security environment created, for Japan, an ideal environment for effective economic policy. This clarity of the operative environment permitted efficient decision-making, which allowed Japan to match its developmental policies optimally to the uniquely favorable international conditions.

Change in the Pacific

Historical experience shows that when a foreign-policy era ends, the institutions, mindset, and interest groups that characterized the old era tend to persist into the new era, with inertia that often endures far longer than the institutions' utility.

--William H. Overholt
Asia, America, and the Transformation of Geopolitics, 2008

The peaceful end of the Cold War surprised many Neorealists. The change in the distribution of power did not result from war or the rise of another superpower.⁴⁸ In Neorealism, the bipolar Cold War period was a theoretically ideal arrangement that, although precarious at first, settled into a stable peace. Regarding the peace in Europe,

⁴⁶ Fisher, *Australia's Hawke Visits Reagan*.

⁴⁷ Pyle, *Japan Rising*, 250.

⁴⁸ Richard Ned Lebow and Thomas Risse-Kappen, eds., *International Relations Theory and the End of the Cold War* (New York: Columbia University Press, 1996), 129.

John Mearsheimer explained that this stable peace “flowed from three factors: the bipolar distribution of military power on the [European] Continent; the rough military equality between the polar powers, the United States and the Soviet Union; and the ritualistically deplored fact that each of these superpowers is armed with a large nuclear arsenal.”⁴⁹ The bipolar system was more peaceful because there were only two powers in contention. All other states aligned with one of the two powers or remained neutral. That the Cold War ended can be explained by a change in the balance of power derived from state resources. The Soviet Union could not maintain the economics required to preserve its power. That the Cold War ended peacefully, despite the imbalance, however, was a failing of the theory.

In the Pacific, as in the Atlantic, the dissolution of the Soviet Union relieved the constant superpower threat. In this sense, the end of the Cold War marked a reduction in the global Cold War threat and an associated lessening of the need for Western domination of all aspects of Asia-Pacific affairs.⁵⁰ Accordingly, countries of the region found more freedom to focus on more local aspects of security. They became more interested in greater autonomy as participants in the international system. The new freedom contributed to freedom of movement and trade. As markets opened up, economies grew. Most remarkably, China’s adoption of capitalist economics in its special economic zones ignited a rapid growth in its economy.

Despite the political and economic changes brought by the end of the Cold War, however, many Cold War threats continued in Northeast Asia. Russia did not return territory taken from Japan at the end of WWII, China was still Communist, the conflict over Taiwan persisted unresolved, the Koreas remained at war, and some states in the region, specifically China and Korea, remained uncomfortable with a memory of Japan’s wartime belligerence.

The US position in the Pacific derived support from the fact that many strategic realities in the Pacific region did not change. Most Northeast and Southeast countries

⁴⁹ John J. Mearsheimer, "Why We Will Soon Miss the Cold War," *The Atlantic Monthly* 266, no. 2 (August 1990): 36.

⁵⁰ Muthiah Alagappa, ed., *Asian Security Practice* (Stanford, CA: Stanford University Press, 1998), 65.

wanted a strong US role to balance against China and Japan. Japan wanted a US presence to counter China. China wanted the US presence to balance the former Soviet Union and Japan.

In this environment of lingering Cold War threats, US involvement in the region continued to be beneficial, if not necessary. The United States maintained its hub-and-spoke system of bilateral security agreements with its allies to ensure protection. Support continued for a strong US military presence in North and East Asia and substantial support in South Asia. The Asia-Pacific states continued to acknowledge US military preeminence.⁵¹ For the most part, they continued to refrain from entering new security commitments outside of their separate arrangements with the United States. The US-Japan Security Alliance remained the most prominent spoke of the arrangement, giving the United States a forward presence that gave both capability and credibility to all the bilateral treaties.

Nevertheless, the end of the Cold War brought new security dilemmas. Reduction of the overwhelming tension between the superpowers exposed a volatile layer of nationalism, corruption, extremist ideologies, and power-hungry warlords. In addition, non-traditional security problems related to humanitarian issues, trafficking of illegal goods, and nuclear and missile proliferation rose to the forefront. While the new security problems, in general, did not present a vital threat to US survival, the events of September 11, 2001 showed that, left alone, they could lead to direct conflict. Global terrorism changed the security status quo.

For many states in the Asia-Pacific region, remnants of Cold War issues still dominated security concerns. This being the case, the US transformation from a Cold War posture to one organized for fighting a global insurgency left many Pacific states wondering if the change in US focus left them abandoned with respect to their greater national security concerns. US assurances and declarations insisted that it remained committed, but, as Neoclassical Realism suggests, perceptions matter.

⁵¹ William Overholt, *Asia, America, and the Transformation of Geopolitics* (New York: Cambridge University Press, 2008), 224.

Summary

Through a look at the historical development of power relations in the Pacific region, this chapter established the factors that are the basis for present-day structural constraints in regional international affairs. Where prominent, policies were highlighted that reveal where domestic perceptions intervened and interfered with objective foreign policy-making. Then, it described the US policy effort after WWII in which it was evident that Perception, Potential, and Personality interfered with attempts at executing a policy toward collective security agreements among the states. Thus, a US-centric hub-and-spoke framework of bilateral security treaties resulted.

The next chapter discusses post-Cold War US security policy for the Pacific region. It begins with a description of US policy. Then, it outlines the new 2007 Japan-Australia security agreement that seems to break the US-centered hub-and-spoke paradigm. Neoclassical Realism is used to discover the factors driving the motivations for key states' support for the JADSC. These factors will be categorized formally as intervening variables in the analysis in Chapter 5.

Chapter 4

The New Shape of Security Cooperation

Underpinning [our security] vision is the essential requirement that America remain engaged in world affairs, to influence the actions of others—friends and foes—who can affect our national well-being. Today, there are some who would have us pull back from the world, forgetting the central lesson of this century: that when America neglects the problems of the world, the world often brings its problems to America’s doorstep.

*William Cohen, Secretary of Defense
Speech to the Commonwealth Club of California, July 21, 1997*

The growth of bilateral interaction is clearly positive for regional security.

*William Cohen, Secretary of Defense
Security Strategy for East Asia-Pacific, 1998*

The end of the Cold War left a unipolar environment in the Pacific. That said, Japan’s economy was booming, contributing to its political power. China, while growing economically and militarily, had not grown sufficiently to be a political power. The polarity of great power politics still rested on the United States as the Pacific security hegemon. This chapter discusses US post-Cold War security policy and the political environment in which the JADSC was created. The perspectives of Japan, Australia, the United States, and China relative to the JADSC are outlined to determine motivating factors. The next chapter will categorize the factors as intervening variables for further analysis.

Responding to New Imperatives

In 1998, then Secretary of Defense William Cohen published a periodic report outlining the United States’ Security Strategy for the East Asia-Pacific Region. This report emphasized, “A sense of U.S. continuity and stability in the midst of regional

change and transition.”¹ In doing so, the strategy endeavored both to reassure regional allies of US commitment to their security and to outline the US view of new threats in the region. The Administration deemed such a reaffirmation necessary to answer some who “questioned U.S. determination to remain an Asia-Pacific power.”² Indeed, there was justification for some measure of doubt by allies and observers regarding changing US commitment. Similar reports in 1990 and 1992 anticipated reductions in forward deployed forces from approximately 150,000 personnel across the region. The 1995 report, while confirming an intention to maintain 100,000 troops in the region, outlined increased efforts “to share security responsibilities with our friends and allies, and to broaden bilateral and multilateral engagement.”³ These signals were easily interpreted to mean less regional presence by the United States despite statements to the contrary regarding continuing interests.

To counter the potential for misconceptions regarding US commitment, President Clinton signed a 1996 Joint Security Declaration with Japan, followed in 1997 by revised guidelines for US-Japan defense cooperation. The declaration reaffirmed, “The U.S.-Japan alliance remains the linchpin of our security strategy in Asia.”⁴ The guidelines set forth “a more definitive role in responding to situations in areas surrounding Japan” including Japan rear-area support to US forces responding to a regional contingency and Japan’s cooperating with the United States in non-combat missions in the region.⁵ In a similar manner, Ministers of Defense and Ministers of State from Australia and the United States signed a Joint Security Declaration publically proclaiming intent “to work together, and with others in the region, to promote our common security interests.”⁶ During this period, the United States also expanded security involvement with ASEAN states to enhance regional dialogue and confidence-building through the ASEAN Regional Forum.

¹ William Cohen, *The United States Security Strategy for the East Asia-Pacific Region* (Washington, D.C.: Office of the Secretary of Defense, 1998), 1.

² Cohen, *US Security Strategy for the East Asia-Pacific Region*, 1.

³ Cohen, *US Security Strategy for the East Asia-Pacific Region*, 5.

⁴ Cohen, *US Security Strategy for the East Asia-Pacific Region*, 19.

⁵ Cohen, *US Security Strategy for the East Asia-Pacific Region*, 20.

⁶ Australia-United States Ministerial Consultations, *Sydney Statement* (Sydney: 1996).

A very clear component of the Asia-Pacific strategy was growing US encouragement of multi-lateral talks and increased responsibility by regional states. The 1998 strategy report notes,

In only a short time, frameworks for discussion and cooperation in the Asia-Pacific region beyond traditional bilateral relationships have become an important and permanent feature of the regional security structure. The scope of these activities has widened dramatically and is critical in a region whose nations do not have many institutional links. *The United States supports and participates actively in this growing pattern of security pluralism.* Multilateral dialogues include larger meetings such as the ASEAN Regional Forum, sub-regional mini-lateral confidence-building efforts, and other fora for interaction and discussion of regional security matters. Meanwhile, bilateral discussions in the region have proliferated rapidly in recent years to address lingering tensions and historical disputes, or simply to enhance mutual confidence and encourage transparency.⁷

The March 2006 National Security Strategy Statement (NSSS) also highlights the need for sustained US engagement in the Pacific by “maintaining robust partnerships supported by a forward defense posture.” Focusing on changing threats, the NSSS envisions, “strengthening alliances to defeat global terrorism and work to prevent attacks against us and our friends.”⁸ A month later, National Security Advisor Steve Hadley explained, “[The US] regional strategy in East Asia is based on three basic insights.” First, he noted the importance of “traditional allies, nations that share the values of democracy and freedom.” He endorsed “strengthened ties with key allies and friends.” Second, he encouraged “working with our partners in East Asia to develop cooperative and creative approaches to regional and global challenges.” Third, he invited “the rise of a China that is a responsible stakeholder in the international system.”⁹

The “pattern of security pluralism” evident in 1996, roughly five years after the end of the Cold War, was no less a visible feature of US Pacific security strategy five years after the initiation of the Global War on Terrorism. In fact, the view toward pluralism seemed to be accelerating. The ASEAN Regional Forum established in 1994

⁷ Cohen, *US Security Strategy for the East Asia-Pacific Region*, 43. Emphasis added.

⁸ United States of America, “The National Security Strategy Statement of the United States of America,” (Washington, D.C.: 2006).

⁹ *Remarks by National Security Advisor Steve Hadley to the National Bureau of Asian Research Strategic Asia Forum* (Ritz-Carlton Hotel, Washington, D.C.: 5 April 1996).

involved 27 states and became the principal forum for security dialogue in Asia. The forum complemented the various bilateral security alliances and provided a setting in which members could discuss regional security issues and develop cooperative measures to enhance peace and security in the region. By 2005, the United States and ASEAN launched the US-ASEAN Enhanced Partnership to go beyond dialogue to “increase cooperation and friendship between ASEAN and the United States to seize the opportunities and meet the challenges of an increasingly interdependent world.” The participating states agreed to “comprehensive, action oriented and forward-looking” cooperation “in multilateral frameworks” in areas such as economics, social matters, development, and security.¹⁰

The United States, Australia, and Japan had been working in such a multilateral framework, known as the Trilateral Security Dialogue, since 2002. As recorded in the joint statement of the key Pacific allies after the 2006 Trilateral Security Dialogue, the three states, recognizing “a common cause,” agreed to work “to maintain stability and security globally with a particular focus on the Asia Pacific region.” The statement also discussed the “emergence and consolidation of democracies and strengthening cooperative frameworks in the Asia-Pacific region.”¹¹

These growing security dialogues and cooperative frameworks between the United States and partners with common values and interests exemplified the intent stated in the 1998 Asia-Pacific Strategy report. They formed a network of relationships and agreements “overlapping and inter-locking, complementing each other to develop an informal security framework for promoting understanding and mutual confidence, and facilitating bilateral ties between participants.”¹² The Asia-Pacific region witnessed dynamic growth in bilateral dialogue and defense interaction. Progress made in addressing many historical tensions and security problems plaguing the region fulfilled the declaration that “the growth of bilateral interaction is clearly positive for regional

¹⁰ Bureau of Public Affairs United States Department of State, “Joint Vision Statement on the ASEAN-US Enhanced Partnership,” (26 July 2005).

¹¹ The Ministry of Foreign Affairs Japan, “Trilateral Strategic Dialogue Joint Statement Australia-Japan-United States,” (Sydney, 18 March 2006).

¹² Cohen, *US Security Strategy for the East Asia-Pacific Region*, 43.

security.”¹³ Through multi-faceted efforts initiated and supported by the United States, regional security relationships matured. “The cumulative effect of bilateral, minilateral and multilateral security relationships [established] a diverse and flexible framework for promoting common security in the Asia-Pacific region.”¹⁴

A Dent in the Hub? The Japan-Australia Agreement

Multilateralism and pluralism in Pacific security dialogue was on the rise. That the United States encouraged and involved itself in the various regional forums left no doubt that these relationships were deliberate components of United States foreign policy. With such encouragement by the hub of the underlying regional security regime, the new frameworks for cooperative dialogue inevitably led to constructs and plans for cooperative action. However, would independent commitments by Pacific states fit within the US vision for the region?

On 13 March 2007, the formerly militaristic, war-ruined Japan, having transformed itself into a prosperous democracy, exercised its rights as a sovereign state and set a new marker defining the growing security framework. Japan’s Prime Minister Abe and Australia’s Prime Minister Howard signed a joint declaration on security cooperation.¹⁵ The Japan-Australia Joint Declaration on Security Cooperation was a landmark agreement, being the first security commitment made by Japan outside its existing alliance with the United States. The joint declaration established annual strategic talks between respective foreign ministers and defense ministers with the intent of establishing an “action plan with specific measures to advance security cooperation in the [stated] areas.”¹⁶ In view of the long-exclusive hub-and-spoke framework, the historical reluctance of states to trust Japan in military matters, and Japan’s self-restraint in participating in defense matters away from its own territory, this agreement clearly

¹³ Cohen, *US Security Strategy for the East Asia-Pacific Region*, 44, 66.

¹⁴ Cohen, *US Security Strategy for the East Asia-Pacific Region*, 44, 66.

¹⁵ Japan Ministry of Foreign Affairs, *Japan-Australia Joint Declaration on Security Cooperation* (13 March 2007).

¹⁶ Reiji Yoshida, "Japan Signs Landmark Security Pact with Australia," *The Japan Times* 14 March 2007. And, Japan Ministry of Foreign Affairs, *Major Elements of the Action Plan to Implement the Japan-Australia Joint Declaration on Security Cooperation* (September 9, 2007).

qualified as a new “creative approach” to deal with regional threats. The JADSC is summarized in Figure 6.



Figure 6: Summary of the Japan-Australia Security Agreement

The bilateral agreement between Japan and Australia pledged cooperation on boarder security, counter-terrorism, counter-proliferation of weapons of mass destruction (WMD), peacekeeping operations, and disaster relief.¹⁷ Although innovative in that this cooperation was pledged with a new bilateral partner, the nature of the pledged security cooperation with Australia resembled activities in which Japan participated in the past under U.N. sponsorship. Since 1992, Japan’s history of UN involvement included UN peacekeeping missions in Cambodia (1992), Mozambique (1993), Zaire (1994), Golan

¹⁷ Japan Ministry of Foreign Affairs, *Japan-Australia Joint Declaration on Security Cooperation*.

Heights (1996), and East Timor (2002). The Japan Self Defense Forces (JSDF) also dispatched its maritime forces to assist with the 2004-05 tsunami relief efforts in the Indian Ocean.¹⁸

Most notably, under a special law enacted by Japan's Diet in 2001, Japan sent maritime forces to the Indian Ocean with the mission of refueling coalition ships supporting the US-led coalition in Operation ENDURING FREEDOM. Similarly, under a special law enacted by the Diet in 2003, Japan sent ground forces to Iraq to assist in the reconstruction effort following the US-led war in Iraq. While not authorized to engage in combat, Japan's ground troops supported reconstruction and humanitarian activities in Samawah in southern Iraq. Japan's air defense force supplied its troops from bases in Kuwait. Australian forces provided protection for the Japanese troops. After the ground Self Defense Forces withdrew in July 2006 at the completion of their mission, the air defense force continued to provide logistics support to the multinational forces by airlifting supplies and personnel between Kuwait and Iraqi cities, including Baghdad.¹⁹ Even though the ground forces withdrew in 2006, the air and maritime missions continued into 2009. In addition to their humanitarian and logistics missions, these first military deployments in support of the United States gave symbolic support to the US-led action.²⁰

In approving both of the special Diet measures and the subsequent deployments, Japan recognized that commensurate with its great power status—status built on the strength of its economy and its loyalty to the US-brokered security in the Pacific—it must contribute more than funding to internationally sanctioned missions. Japan also recognized that the new global security threats brought by transnational terrorism also threaten Japan. Limited as its contributions were, Japan “cautiously, incrementally, at times almost imperceptibly” built a record of responding to the “new strategic conditions” of the post-Cold War era.²¹ In the new security environment, Japan could no longer rationalize benefiting in security from the international community without

¹⁸ Japan Ministry of Defense, *Defense of Japan, 2008* (Tokyo: Government of Japan, 2008), 505-07.

¹⁹ Kyodo News, "Japan's Iraq Aid Mission Officially Ends," *The Japan Times* 16 Feb 2009.

²⁰ Japan Ministry of Defense, *Defense of Japan, 2008*, 274-75.

²¹ Pyle, *Japan Rising*, 297.

participating, especially when vulnerable along with the community to the same global threats.

Japan's Perspective

Japan views the JADSC as a natural component of its contribution to “multinational cooperation...to the benefit of the international community as a whole” and “ensure security in the region.”²² Japan recognizes that it still needs the protection brought by the US-Japan Alliance and carefully avoids antagonizing its neighbor, China. Nonetheless, Prime Minister Abe’s 2007 vision was for a “broader Asia” of countries with common democratic values and interests that cooperates on security and other issues, creating an “arc of freedom and prosperity.”²³ Because Japan’s security forces lack a real power projection capability, the JADSC is as much about securing an enduring relationship with Australia and cooperating in information and training as it is about complementary capabilities.

The Senior Vice Minister for Foreign Affairs explained, “Australia and Japan, with shared democratic values, have both [the] will and capacity to contribute to the stability and prosperity of the region and of the world.” He further declared, “The partnership lies deep at the core of regional security, [and] together, Japan and Australia have evolved...to provide peace and stability throughout the region...to build a comprehensive strategic relationship.”²⁴ At the signing of the JADSC, Japan’s Prime Minister Abe told the joint press conference, “Prime Minister Howard and I agreed that the joint declaration offers a framework for concretely stepping up security ties between our two countries.” The two Prime Ministers reaffirmed, “the strategic partnership between Japan and Australia is based on democratic values, a commitment to human rights, freedom and the rule of law, as well as shared security interests, mutual respect,

²² Japan Ministry of Defense, *Defense of Japan*, 2008, 2, 4.

²³ *Speech by H. E. Mr. Shinzo Abe, Prime Minister of Japan at the Parliament of the Republic of India*, (Ministry of Foreign Affairs of Japan, August 22, 2007).

²⁴ Yasuhisa Shiozaki, Japan Senior Vice Minister for Foreign Affairs, “30 Years of Japan-Australia Relation: From Trading Partners to Partners of Democracy” (paper presented at the Fourth Japan-Australia Conference, Tokyo, 23 June 2006).

trust and deep friendship.”²⁵ Although some within Japan have suggested that Abe is concerned with keeping China’s growing military in check, both Abe and Howard dismissed the suggestions by saying that the pact was not directed specifically at China or any other country in the region.²⁶

Australia’s Perspective

Looking to advance its leadership role in the Pacific and to take a harder line with respect to security in the Pacific, Australia embraced the agreement with Japan. For Australia, the JADSC was also about growing its relationship with the only non-US great-power democracy in the region while showing that it is more capable and willing to fulfill its 1951 agreement to maintain “individual and collective capability” through “self-help and mutual aid” to contribute to a comprehensive system of security in the region.²⁷ At the time of the signing, Prime Minister Howard lauded the agreement saying that, apart from the United States, no other country has a closer security arrangement with Australia than Japan. He explained, “We have a Trilateral Security Dialogue with Japan and the United States and we are, the three of us, great Pacific democracies” and “We therefore have an enormous amount in common.”²⁸

The Hon. Mr. Murray McLean, Australian Ambassador to Japan, later described the close relationship between Australia and Japan as a “comprehensive strategic, security and economic partnership. It is a partnership that lends itself naturally to our cooperating closely to help meet the challenges of the changing world of the 21st century and particularly what is often referred to as ‘the Asia-Pacific Century.’”²⁹ He notes, “[The JADSC] is not a Declaration of the same order as the United States/Japan Security Treaty, it is a significant step.” Clarifying how the JADSC complements, rather than detracts from, the hub-and-spoke framework, he states, “Australia’s cooperation with

²⁵ Masaki Hisane, “The Emerging Axis of Democracy,” *Asia Times Online* 15 Mar 2007.

²⁶ Hisane, “The Emerging Axis of Democracy.”

²⁷ *Security Treaty between the United States, Australia, and New Zealand (ANZUS)*, (San Francisco: September 1, 1951).

²⁸ Shar Adams, “Japan and Australia, One Step Closer,” *Epoch Times Brisbane* 13 Mar 2007.

²⁹ Murray McLean, Australian Ambassador to Japan, “The Strategic Partnership between Australia and Japan - Implications for the Global Outlook for the 21st Century,” (Australian Government in Japan, 17 Feb 2009).

Japan in the Asia-Pacific region is strengthened by the fact that we are both allies of the United States. Australia's alliance with the United States remains the bedrock of our foreign and security policy." In clear terms, Australia's goal is "to ensure the United States maintains its active and benign engagement in this region."³⁰ For Australia, the JADSC enhances the Trilateral Strategic Dialogue between the Australia, the United States, and Japan.

The JADSC also supports the growing economic relationship Australia has with Japan. A July 2007 Government of Australia media release celebrated Australia's relationship with Japan as its "single most important trade relationship." It notes that Australia sells more goods to Japan than it does to China and the United States combined.³¹ Ambassador McLean observes, "Australia and Japan are the two key developed economies, one at the south end and one at the north end of the Asia-Pacific region." These economies bring "an ever-increasing centrality of our region in world affairs.... We can, if we can work closely and effectively as partners, make a major contribution to the resolution of the many crucial and difficult issues that now face the world."³² The JADSC, recognizes "the link between prosperity and security" and is based on the belief that stability across the region is a vital issue for Australia's security.³³

The United States' Perspective

Leading up to the Japan-Australia security agreement, the United States indicated its support for "the efforts of Australia and Japan to develop a closer bilateral security relationship reflecting Japan's growing role in international security."³⁴ This support reflects both a need for additional efforts to combat threats to security in the Pacific

³⁰ McLean, "The Strategic Partnership between Australia and Japan - Implications for the Global Outlook for the 21st Century."

³¹ Government of Australia Department of Foreign Affairs and Trade, *Celebrating 50 Years of Trade with Japan - Australia's Best Customer* (6 July 2007).

³² McLean, "The Strategic Partnership between Australia and Japan - Implications for the Global Outlook for the 21st Century."

³³ Japan Ministry of Foreign Affairs, *Japan-Australia Joint Declaration on Security Cooperation*.

³⁴ "Australia-United States Ministerial (AUSMIN) Consultations Joint Communiqué," (Washington, D.C.: 13 Dec 2006).

region and confidence in Japan and Australia as allies. The United States declares that it is a “Pacific nation” and, while being the primary provider of security in the region, benefits from the efforts of other states.³⁵ For the US, the JADSC is an expected product of the Trilateral Security Dialogue.

In his 2009 Statement before the Senate Armed Services Committee, Admiral Timothy Keating, Commander of US Pacific Command, reported on the US security strategy for the region. He stated that the strategy is one of “persistent cooperation and collaboration in times of peace to mitigate situations that could lead to conflict and crisis.” He further elaborated, “While it emphasizes security cooperation and capacity building, it does not signal a departure from our primary responsibility to fight and win. Instead, it acknowledges the complexity of our security environment.... It is a strategy in which we collectively seek—with our allies, partners, and friends—multilateral solutions, recognizing challenges are best met together. *Ours is a strategy based on partnership, readiness, and presence* [emphasis in original].”³⁶ Admiral Keating openly declared, “Nations rely on our leadership and presence—we are an ‘indispensible partner’ to our allies, partners, and friends.”³⁷ Nonetheless, he concludes, “We are committed—along with our allies and partners—to turn the promise of a stable and secure region into reality[, and] we are fortunate to have traditional allies, and both existing and emerging partners, who are willing to promote conditions for security and stability, and collaborate for the well-being of the people in the Asia-Pacific [region].”³⁸ In this view, the JADSC is consistent with the United State’s desire to transform the hub-and-spoke network of bilateral alliances into a framework in which allies work together in ways that are congruent with US interests.³⁹

³⁵ The White House, *The National Security Strategy of the United States of America*, 40.

³⁶ *Statement of Admiral Timothy J. Keating, U.S. Navy, Commander U.S. Pacific Command before the Senate Armed Services Committee on U.S. Pacific Command Posture*, 24 Mar 2009, 2. Emphasis is in the original publication.

³⁷ *Statement of Admiral Timothy J. Keating, U.S. Navy, Commander U.S. Pacific Command before the Senate Armed Services Committee on U.S. Pacific Command Posture*, 5.

³⁸ *Statement of Admiral Timothy J. Keating, U.S. Navy, Commander U.S. Pacific Command before the Senate Armed Services Committee on U.S. Pacific Command Posture*, 39.

³⁹ Brendan Taylor, *The Australia-Japan Security Agreement: Between a Rock and a Hard Place?* (Honolulu, HI: CSIS, 2007).

The contemporary challenge is deterring or dissuading the wide range of state and non-state actors from threatening actions.⁴⁰ The 2002 NSSS call for new approaches for new times is repeated in the 2008 National Defense Strategy.⁴¹ “Allies often possess capabilities, skills, and knowledge we cannot duplicate. We should not limit ourselves to the relationships of the past.”⁴² Despite its overwhelming power, the United States finds it necessary to augment its reach with both independent and coordinated action of partners. Australia, Japan, and the United States have long participated in regular ministerial talks and security dialogue. It becomes a natural consequence for these states already aligned by democratic values and the existing US hub-and-spoke security framework to cooperate in common security matters to the extent they can overcome historical animosity, geographical and ideological separation, and imbalance of capability.

While the JADSC risks inciting China, the agreement does not do so directly. The content of the agreement deals primarily with non-traditional security issues that are also in China’s interests. The JADSC supports the US desire for Pacific states to participate in collective security affairs as it overhauls its own posture and engages multi-nationally in “confronting the challenges of our time.”⁴³ The Bush Administration denied, however, that it had any intention to pursue a containment policy toward China.⁴⁴ As China becomes a global player, the United States encouraged it to act as a “responsible stakeholder that fulfills its obligations and works with the United States and others to advance the international system that has enabled its success.”⁴⁵

China’s Perspective

While the United States considers Japan and Australia its “two anchors in the Asia-Pacific region,” one China analyst has described the relationship as the “claws of

⁴⁰ Robert M. Gates, *National Defense Strategy* (Washington, D.C.: Department of Defense, 2008), 11.

⁴¹ The White House, *The National Security Strategy of the United States of America*, 35.

⁴² Gates, *National Defense Strategy*, 15.

⁴³ United States of America, “The National Security Strategy Statement of the United States of America.”

⁴⁴ Hisane, “The Emerging Axis of Democracy.”

⁴⁵ The White House, *The National Security Strategy of the United States of America*, 41.

the crab” facing China.⁴⁶ When asked to comment on the JADSC, Chinese Foreign Ministry spokesperson Qin Gang replied that he hopes that “relevant countries can take into account the concern and interests of other countries in the region when they strengthen bilateral security cooperation and do more to promote mutual trust among the countries as well as peace and stability in the region.” Regarding Japan’s and Australia’s claims that the declaration is not targeted at China, he responded, “I hope they mean what they said.... We have no reason to fear. We feel unperturbed.”⁴⁷ Ahead of the second Japan-Australia “2+2” ministerial conference following the signing of the JADSC, however, Australia’s Foreign Minister Stephen Smith responded to the apparently lingering concern, “It is entirely possible for a nation-state to have a good relationship with more than one country and not impact adversely on another country.”⁴⁸

Some analysts suggest that the JADSC “needlessly emphasizes the military dimension of Australia’s security contributions in Asia” and is “strategically reckless.”⁴⁹ As Foreign Minister Smith explains, Australia has a “comprehensive economic, security and strategic partnership” with Japan and a “growing economic relationship with China.”⁵⁰ The non-traditional security focus of the JADSC only formalizes cooperation between Japan and Australia that is already occurring separately under their bilateral alliances with the United States. This does not preclude, however, the apparent concern that terms such as ‘counter-proliferation’ and ‘counter-terrorism’ in the JADSC, benign from a power politics perspective, can be “stretched to cover almost any contingency.”⁵¹ Notwithstanding China’s view regarding the JADSC, such reinterpretation of intent is something that can be done with any diplomatic wording and is not unique with the JADSC.

⁴⁶ Quoted in Avery Goldstein, *Rising to the Challenge: China's Grand Strategy and International Security* (Palo Alto, CA: Stanford University Press, 2005), 103-04.

⁴⁷ Qin Gang, *Foreign Ministry Spokesman Qin Gang's Regular Press Conference on March 13, 2007* (Beijing: Embassy of the People's Republic of China in the United States of America, 2007).

⁴⁸ ABC News Australia, *Japan, Australia Sign New Security Pact* (Tokyo: 19 Dec 2008).

⁴⁹ Andrew Forrest, "How to Be a Good Friend: China and the Australia-Japan Security Relationship," *Security Challenges* 4, no. 1 (2008): 1-2.

⁵⁰ ABC News Australia, *Japan, Australia Sign New Security Pact*.

⁵¹ Forrest, "How to Be a Good Friend: China and the Australia-Japan Security Relationship," 10.

Economically, China needs Australia and Australia needs China. China is among Australia's top three trading partners. Additionally, the two states are negotiating a free trade agreement.⁵² Regarding the relationship between economics and security, though, China may prefer to keep Australia "'Findlandized,' keeping [its] head down" the way its historical clients in Southeast Asia are doing.⁵³ There is little to argue with Prime Minister Howard's statement following the signing of the JADSC: "This declaration lifts the security aspects of [the Australia-Japan] relationship more closely to the level of our economic and commercial ties." Therefore, he continues, "Neither China nor any other country in the region should see this declaration as being antagonistic toward them."⁵⁴ If China is concerned that Australia, like Japan, will be locked into a US-dominated system, it only needs to refer back to the ANZUS treaty of 1951 to see that it already is.

Japan, like Australia, was never a client of China. Neither is it likely to become so, given its historical independence and its modern alliance with the United States. China has less to gain through statements questioning Japan's intentions relative to the JADSC. China's recall of historical animosity in its rhetoric toward Japan often correlates with China's domestic attempts to reinforce government legitimacy in the eyes of its population, and in this sense, the JADSC represents nothing new. China has more to consider regarding the strength of Japan's alliance with the United States than it has with the relatively insignificant JASDC. China's reaction is evidence, though, that public opinion on politics has begun to play a role domestically in China.⁵⁵

Summary

The discussion above exposes a number of factors that drove Japan and Australia to augment their participation in the US-centric hub-and-spoke framework through their

⁵² Australian Government, *Australia's Trade Relationship with China* (Canberra: The Canberra Times, 2005). In some reports, Australia trade with China has surpassed its trade with the United States, putting trade with China second only to trade with Japan.

⁵³ Lim, "Australia's New Security Agreement with Japan."

⁵⁴ Hisane, "The Emerging Axis of Democracy."

⁵⁵ Joseph Fewsmith and Stanley Rosen, *The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000*, ed. David M. Lampton (Palo Alto, CA: Stanford University Press, 2001), 154.

own bilateral security agreement. The factors also help explain US support for the agreement and China's reaction to it.

The next chapter summarizes and categorizes the factors as intervening variables and considers, further, the implications of the new bilateral security agreement to affairs in the Pacific. Analysis shows that the United States, rather than losing control of security in the Pacific because of the JADSC, gains security advantage from the extra-lateral agreement. The agreement supports US goals in the region.

Chapter 5

Analysis and Implications

If China continues to grow economically, it will translate that economic might into military might, and it will become involved in an intense security competition with the United States, similar to the security competition that existed between the United States and the Soviet Union during the Cold War. That intense security competition, in my opinion, is unavoidable.

*John Mearsheimer
Interview at University of California, Berkeley, 8 Apr 2002*

Whether the region actually erupts into conflict...will depend in large part on how the United States, China, and other important Asian powers decide to manage their ambivalent relationships.

*Gideon Rose
"Neoclassical Realism," 1998*

This chapter analyzes the various views of the JADSC. It begins with a Neorealist view based on balance of power. The analysis shows how the traditional theory fails to explain the motivation for the JADSC based only on system-level influences. Then, the Neoclassical Realism model is applied to the factors derived in the previous chapter. The discussion identifies the factors as intervening variables and categorizes them as Perception, Potential, or Personality. Broad regional implications are discussed.

A Neorealist View

For traditional Realists, the JADSC is evidence of the continuation of great power politics. Many realists watching Japan's emergence as an economic and a political power in the Pacific and in the United Nations see a Japan that is increasingly competing with other powers in the Pacific. Likewise, China's recent economic growth and increased military expenditures suggest a possible change in the distribution of power in the region. Mearsheimer's statement is representative of the Neorealist reluctance to see Pacific

politics in other than a power-dominated structure. Structural factors evident in the Pacific are:

- Disappearance of the superpower conflict of the Cold War
- The continuing 'Cold War' threat from North Korea
- Declining US military presence and distraction by other wars
- Japan's economic rise and regional security involvement
- China's economic rise and military expenditures
- China's historical place as a returning patron

The Neorealist school of thought suggests several views of Pacific politics. One view is that the United States remains the center of a unipolar system in the Pacific. This view is justified by its overwhelming military might. If this were the case, Neorealism would suggest that the United States is left to balance internally against potential threats by building its own capabilities and that it endeavor to control the terms of security in the region. The United States has power to do this through its bilateral security treaties in the hub-and-spoke framework. Continuing recognition of the necessity of maintaining the US bilateral security treaties supports this view. Japan's annual defense statement begins by stating, "Based on the Japan-U.S. Security Treaty, the Japan-U.S Security Arrangements constitute a central pillar of Japan's national defense. The Japan-U.S. Security Arrangements also serve as the foundation of the U.S.-Japan Alliance, and are indispensable not only to maintaining the peace and security of Japan, but also the entire Asia-Pacific region."¹ Similarly, Australia's ambassador to Japan affirmed, "Australia's cooperation with Japan in the Asia-Pacific region is strengthened by the fact that we are both allies of the United States. Australia's alliance with the United States remains the bedrock of our foreign and security policy."² He further adds, "Both Australia and Japan understand the importance of the continuing presence and engagement of the United States in the Asia-Pacific region. Our alliance relationships with the United States enhance our own security and contribute to the stability of the Asia-Pacific region

¹ Japan Ministry of Defense, *Defense of Japan*, 2008, 212.

² McLean, "The Strategic Partnership between Australia and Japan - Implications for the Global Outlook for the 21st Century."

generally. Strengthened bilateral cooperation between Australia and Japan enhances our respective relationships with the United States, including through our security and defence cooperation under the Trilateral Strategic Dialogue.”³ Additionally, if the Pacific region remains a unipolar security environment, Neorealism would also dictate that lesser states would ally with the United States for security. The system would not provide incentives for these states to balance through alignments among themselves. The JADSC does not follow this prediction. In Neorealism, policies that are incongruent with the structure are considered errors in foreign policy that the system will eventually correct. In other words, the JADSC would eventually be changed.

Another Neorealist view recognizes the strength of a rising China and its inevitable maturation as a second pole in the region. If the Pacific region is, or is becoming, bipolar, Neorealism suggests that the United States and China would balance against each other through internally increasing their capabilities. Undeniably, the United States military has global reach. The United States’ presence in the Pacific region relies on its forward deployment of approximately 100,000 troops as part of the hub-and-spoke network of bilateral treaties established in the 1950s. Additionally, the commitment of its allies adds to this regional power. China’s response to the JADSC indicates that it is concerned that the JADSC enhances Japan and Australia as the “crab’s claws” of a United States’ containment policy.⁴ The United States’ upgrading official dialogues to the ministerial level and instituting the Trilateral Security Dialogue between the United States, Japan, and Australia reinforce the position of the ‘northern and southern anchors’ in the US-dominated framework for strength in the region. In a bipolar structure, lesser states would find security and stability by allying with one or the other of the great powers. In this case, the power structure would compel both Australia and Japan to rely on their bilateral treaties with the United States and forgo agreements between themselves. The lack of systemic incentives for alignments among lesser states and opposition from the great powers would make it nearly impossible for Japan and

³ McLean, "The Strategic Partnership between Australia and Japan - Implications for the Global Outlook for the 21st Century."

⁴ Purnendra Jain, "Japan-Australia Security Ties and the United States," *Australian International Affairs* 60, no. 4 (2006): 524.

Australia to nurture economic relationships with both the United States and China. In such an environment, Australia's only option would be to accept great power supremacy to preserve itself. The United States and Japan would be driven together to counter-balance China. Like in the unipolar view, the JADSC would be of little value and would eventually be neglected or terminated. The Trilateral Security Dialogue would become a forum for action responding to China's growth.

A final possible Neorealist view sees both a rising China and a powerful Japan as poles that offset US strength in the Pacific. In this view, Japan's independent agreement with Australia appears to be yet another step in Japan's deliberate rise to normalcy and as a regional power. Such a view eventually rejects the US-centric hub-and-spoke security framework. Structural pressures would result in an eventual termination of these bilateral alliances. Moreover, Australia and China along with Japan would necessarily take action to increase their internal military capabilities. This would result in Australia and Japan producing or acquiring additional power projection capabilities. Japan would take steps to 'militarize' its peaceful constitution through changes to the defense clause in Article IX. Additionally, Australia, China, and Japan would set out to establish external alliances to augment internal growth in a race for consolidation of regional power. This view would consider the interwoven network of US bilateral agreements, Japan's separate alignment with Australia, its agreements with India, and its dialogues with China inconsistent in purpose. Likewise, Australia's network of economic and security agreements and dialogues would detract from more prudent, isolated structures. Systemic pressures would result in corrections to this complex structure and cancellations of irrelevant agreements. Lesser states would also join the race in hedging their relations with the power that they determine has the best chance of surviving to satisfy their interests.

The appropriateness of the JADSC in the developing power distribution is undeterminable under Neorealism due to its limited ability to predict the policy path to final structural endstates. Furthermore, Neorealism considers a multipolar situation unstable and transitory toward a more stable bipolar system. In a multipolar system, "the politics of power turn on the diplomacy by which alliances are made, maintained, and

disrupted” and “relations of friendship and enmity are fluid” resulting in instability.⁵ Eventually, as the system stabilizes into a bipolar system, the value of the JADSC, with its current limited scope, would diminish.

While a theoretically objective view of the distribution of power in the Pacific and the rising status of states can be assessed under Neorealism, Neorealism fails to explain the current policies and efforts by Pacific states to strengthen their alignments via agreements like the JADSC. Similarly, Classical Realism only puts the strong against the weak in leaders’ aspirations for power—either to maintain or overthrow the status quo.⁶ It neglects the constraints imposed by the system. It also denies the cooperation of states desiring stability, not power.

Given the evidence presented in previous chapters, it is difficult to accept traditional realist outcomes as inevitable. Additionally, the policies the Pacific states pursue are not predictable based on a purely system-level analysis. Neoclassical Realism offers a better approach to assessing policy decisions related to power relations without discounting the structural influences of the environment.

Neoclassical Realism supplements other realist theories by specifying how systemic variables interact with intervening variables to affect individual states’ interpretation of the system affecting their foreign policy choices. Examination of the historical background of relations in the Pacific, the motivations for the JADSC, and individual country views of the security agreement shows that Perception, Potential, and Personality all contributed to the related policy decisions. The following is an analysis of the intervening factors and their impact on policy decisions by each state.

Japan’s Intervening Variables

Evidence shows that system-level variables are the underlying driver of relations between Japan and other countries in the Pacific region, but the impact of those variables on foreign policy decisions is ambiguous. Figure 7 summarizes intervening variables for

⁵ Waltz, *Theory of International Politics*, 167-68.

⁶ Jeffery W. Taliaferro, "Neoclassical Realism and Resource Extraction: State Building for Future War," in *Neoclassical Realism, the State, and Foreign Policy*, ed. Steven E. Lobell, Norrin M. Ripsman, and Jeffery W. Taliaferro (Cambridge, UK: Cambridge University Press, 2009), 205.

Japan. Although Japan appears to be positioning itself for stronger involvement in the region and developing its relations to defend itself against changing threats, its specific actions regarding the JADSC can only be explained via the intervening variables.

Perception	China can become a threat Anti-Japan sentiment abroad due to historical militarism Sense of changing commitment, shift of US focus in Pacific Sensitive to ‘too little, too late’ coalition contribution
Potential	Citizens maintain pacifist domestic attitude toward defense National resistance to change peaceful constitution
Personality	Democratic values/‘values-based diplomacy’ ‘Broader Asia’/Greater leadership role in the Pacific Large contribution to the UN Large economy Recent history of regional participation Demonstrate independence and responsibility (within the US alliance) Desires normal-nation status Self-restrained military (limit to defense and 1% of budget) Historically independent

Figure 7: Japan's Intervening Variables

Perception regarding the intentions of surrounding states has long affected security decisions in the Pacific. Even though the perceptions originated in historical

actions of neighboring states, the endurance of the perceptions often exceeded the actual governments or interests that motivated prior actions. As a result, perceptions did not always represent reality. The impact was a strategic astigmatism that resulted in policies unmatched to some degree from system imperatives.

Despite China's insistence that it "pursues the road of peaceful development," and it "will not invade or threaten other countries," the rapid modernization of its military gives reason for Japan to fear conflict related to control of sea lines of communication, fishing zones, and undersea oil and gas resources. China's rise may also threaten cooperation in the region due to non-transparency in its attempts to expand its spheres of influence.

Another factor detracting from Japan's objective policy-making is its perception of and sensitivity to anti-Japan sentiment in its neighbors. Japan's military government in WWII created enemies that still threaten its relations in the region. Whether real or propagandized, the resulting Perception elicits caution in Japan's policy-making.

The reduction of US service members in the Pacific from 150,000 to 100,000 and the continuing conflicts in the Middle East contribute to Perception that the United States may be less committed to the defense of Japan. Some Japanese fear that events in the Pacific region may change the US priorities regarding the US-Japan Alliance. One Japanese lawmaker reported that if North Korea decided to launch a missile targeted at the United States, support of Japan's interests would be forgotten quickly.

Although Japan's constitution precludes it from committing to defend other countries, it allows Japan to contribute to coalition actions in non-combat roles. Japan is sensitive, however, to international opinions that its contributions are either too little or too late. That it was not invited to the post-Kuwait liberation celebration and its flag was not included in Kuwait's New York Times appreciation ad shocked Japan, which had publically and wholeheartedly supported the US action in addition to contributing \$13 billion toward the war. The deployment of Japanese ground troops in the second Gulf War was largely a reaction to this Perception.

Despite Japan's official desire to increase its involvement in international peacekeeping and stability operations, it has difficulty exploiting the full potential of its resources and policy. Japan's largely pacifist population contributes to its Potential. It

was not until 2007 that the Japanese Defense Agency gained support to become a ministry with its own cabinet-level minister and corresponding budget authority. Pacifism also manifests in hesitancy to change the ‘peace constitution,’ which has not been amended since it was crafted during the Allied occupation in 1947. Article IX’s limits on offensive forces complicate Japan’s missile defense policy. It also precluded a more robust cooperation with Australia, limiting the JADSC to non-traditional security cooperation. Because Japan’s pacifism is a cultural characteristic resulting in resistance to policy changes supported by some of Japan’s leaders, Potential is the most appropriate category for this trait. Japan’s leaders also exhibit self-restraint, limiting the military to defensive missions. In this sense, Japan’s pacifism exhibits elements of both Potential from leader’s inability to mobilize the population and Personality from the leaders’ self-restraint. The restraining effect on policy is the similar.

Japan’s view of its place in the Pacific is based on its view of the regional power structure refracted through its Personality factors. Foremost, modern Japan is strongly committed to democratic values and evokes these values in its policies. It recognizes its economically strategic position in the world and geographic importance in the Pacific region. Thus, it sees itself as a provider of leadership in the Pacific and desires a greater, permanent role in the United Nations. Japan is small compared to the United States and its immediate neighbors, China and Russia. It is not small, though, compared to the United States’ European allies in territory, population, or economy. Japan’s similarities with the United States make it an important ally. Japan recognizes this. These similarities draw Japan’s policy considerations toward support of US policy. This Personality trait has the potential to create tension among other states in the Pacific. To balance its interests with respect to other Pacific states, Japan’s policy is constrained to the extent that it must show independence from US pressures while supporting goals common with the United States.

Despite systemic pressures calling for increased military capacity and freedom of action, Japan continues to exercise self-restraint in its policies due to a strong commitment to its defensive-only military identity. Japan also restrains its military expenditures to 1% of its national budget compared to 2.4% by Australia, 4% by the

United States and 4.3% by China.⁷ These defense-only limitations clash with Japan's desire to be viewed internationally as a militarily normal nation. Japan funds 20% of the United Nations, the largest contributor after the United States (22%) and greater than the contributions of the other members of the Security Council combined.⁸ The desire to be seen as a contributor to international security drives Japan's involvement in regional peacekeeping operations despite its constitutional limitations regarding military action. The desire to participate also feeds debate over still self-restrained policies over collective defense.

Structural factors alone would not predict Japan's policy decision to enter into a bilateral security cooperation agreement with Australia. Neoclassical Realism highlights domestic factors that interfere with systemic pressures. The factors intervene in foreign policy decision-making by affecting domestic conceptions of the structure. Japan's Perception of China's growth, reduction in US presence, and desire to be perceived as a contributor internationally contribute to its desire to strengthen its regional security associations. Japan's Personality of pacifism and self-restraint limit the scope of its military actions. Combined, these factors shape Japan's view of the security environment and its decision to conclude the JADSC as its optimal policy option.

Australia's Intervening Variables

As in the case of Japan, a purely system-level analysis does not expose incentives for Australia to conclude the JADSC. Figure 8 summarizes intervening variables for Australia. With the increasing threat of global terrorism by non-state actors and growing instability in the Pacific states historically within Australia's sphere of influence, it is clear that geography no longer provides adequate protection. Additionally, Australia's strong economic interests with the United States, Japan, and China have parity with its short-term security concerns. Australia views its environment in terms of these interests. Perception of shifts in regional powers with the economic growth of both China and Japan complicates the tension between Australia's economic and security interests.

⁷ Central Intelligence Agency, *The World Factbook 2009*.

⁸ Japan Ministry of Foreign Affairs, "Reform of the UN Security Council," (Tokyo Japan: 2005), 5.

Japan's economic growth followed by rapid growth in China enabled those states to extend their interests to areas surrounding Australia. Similarly, Australia sees interests beyond traditional areas and issues. Six foreign policy issues played a dominant role in Australia's 2007 election campaign: terrorism, Iraq, Afghanistan, instability in the South Pacific, climate change, and the future of the US alliance and great-power politics in the Asia-Pacific.⁹

Perception	Geography no longer a protection Threat of global terrorism Power shifts in region/growth of Japan, China Sensitivity to China's perception Trade policy can be separate from security policy Fear of sending the wrong signal to the US or China Vulnerability due to instability in the South Pacific US less committed to Pacific due to global concerns
Potential	Change in domestic support with change in administration
Personality	Should take a harder line on regional security Increase leadership role in region (avoid exclusion) Democratic values Staunch support to the US/Maintain special relationship

Figure 8: Australia's Intervening Variables

While desiring to strengthen its involvement in regional security, Australia is sensitive to China's point of view due to very strong economic ties between the two countries. Australia hopes it can balance its interests by limiting the scope of the JADSC

⁹ Michael Clarke, "Issues in Australian Foreign Policy: July to December 2007," *The Australian Journal of Politics and History* 54, no. 2 (2008): 271-88.

to non-traditional cooperation while continuing negotiation of free trade with China. Australia continues its relationship with the United States for traditional security matters. Australia is most outspoken regarding the JADSC not being targeted against China or any other country. It is unlikely that China is threatened by supposed emphasis on the “military dimension of Australia’s security contributions.” This diplomatic exertion demonstrates, however, Australia’s fear of sending the ‘wrong’ signal to China and harming its carefully balanced interests.

In addition to Perception, democratic turbulence in Australia’s internal politics demonstrates the impact of Potential in maintaining traction with policy commitments. Within months of signing the JADSC, the party of the conservative supporter of the Global War on Terror, Prime Minister John Howard, lost to the Australian Labor Party under Kevin Rudd. Prime Minister Kevin Rudd indicated that he will not augment the JADSC and that “the United Nations will be assigned greater priority, possibly rendering his posture on Australia’s traditional regional security ties less important.”¹⁰

Despite this domestic friction, Australia’s general security trend and goal is to take a harder line on regional security. This involves Australia increasing its leadership role in the region. Australia’s Personality in this respect derives from commonality of democratic values. Australia’s policy continues to exhibit strong support for the United States and endeavors to preserve and contribute to the special relationship within the US-led alliance. The JADSC, however, allows Australia to expand involvement in issues tied directly to its expanding economic and security interests. It creates a new avenue for democratic cooperation and maximizing efficiencies within the existing alliance.

Neoclassical Realism fills the gap in understanding Australia’s foreign policy action in entering the JADSC with Japan. It highlights ties between security and trade interests with respect to China. Dismissing power politics, it also clarifies misconceptions regarding the compatibility of the JADSC and the US-Australia alliance.

¹⁰ William T. Tow, *The Japan-Australia Joint Declaration on Security Cooperation and Asia-Pacific Strategic Geometries* (Melbourne: The Australia Policy Forum, 2007), 07-16A.

The United States' Intervening Variables

The United States remains the dominant military power in the Pacific region. Its policies are highly motivated by all three categories of intervening variables, Perception, Potential, and Personality. Figure 9 summarizes intervening variables for the United States. System-level theories do not adequately explain US foreign policy with respect to support for the JADSC. Under traditional realist theories, the United States as a regional power would have little need for extra-lateral security agreements among its allies and would attempt to block or control the Japan-Australia relationship to preserve its own dominance.

Perception	Disengagement could encourage new rival Chinese military aggressiveness Global threat of terrorism Need allies to ensure security Need to cooperate for international legitimacy Allies capabilities matured/can share security burden
Potential	Isolationism/Drawdown of forces in region Coalition building/Mobilizing allies
Personality	Democratic values Democratic peace World protector Nation-builder

Figure 9: The United States' Intervening Variables

First among US Perceptions is the view that disengagement could encourage the rise of a new Pacific rival. This Perception is evident in the insistence that the United States is a “Pacific nation.” In the US view, “the region’s stability and prosperity depend

on our sustained engagement.”¹¹ China is also a beneficiary of US efforts to foster regional stability. China’s aggressiveness, however, could threaten US interests.¹²

Second is the Perception of a growing threat of terrorism and lawlessness in the Pacific region. Despite the power of the United States, it is not able to police the entire region alone. The United States strongly perceives the need to enlist willing partners who contribute to the overall effort to fight terrorism and other transnational threats. The United States views the actions of sovereign states in the areas of non-traditional security as extensions of its own efforts.

In areas of traditional security, US Perception leads it to believe that it also needs to partner with allies to maintain legitimacy internationally. Additionally, after decades of nation-building, the United States has an expectation that states are now capable and duty-bound to share the collective security burden. Closely related to the US expectation for international support in its worldwide security actions is the intervening factor of Potential. It is difficult for the United States to maintain domestic support for continued action abroad. The American tendency toward isolationism contributed to premature or unwarranted withdrawals from the Pacific. While still able to project power worldwide, doing so from US territory can diminish responsiveness. Mobilizing citizens and allies for coalition building and maintaining their support throughout a conflict can be unexpectedly difficult, eroding the effectiveness of US policy.

Personality is possibly the largest detractor in US policy-making. American exceptionalism, validated by a number of historical outcomes, supports a strong bias toward values-based policies lacking consideration of existing power structures. The view that democracies do not go to war with other democracies drives “expansionist” policies. President Bush’s preface to the 2006 NSSS communicates this view: “America also has an unprecedented opportunity to lay the foundations for future peace. The ideals that have inspired our history—freedom, democracy, and human dignity—are increasingly inspiring individuals and nations throughout the world. And because free

¹¹ United States of America, "The National Security Strategy Statement of the United States of America," 40.

¹² United States of America, "The National Security Strategy Statement of the United States of America," 40.

nations tend toward peace, the advance of liberty will make America more secure.”¹³ As the sole remaining superpower, the United States sees itself as the world’s protector and nation-builder. In the Pacific, China contests this position, viewing that role as China’s historical role. US policy, however, often neglects this consideration. US support for the JADSC has the potential to incite China to take compensating action to retain balance.

Neoclassical Realism and the intervening variables explain US support for the JADSC. US Perception of new non-state, transnational threats and the United States’ inability to combat these threats independently requires that it compromise control for allied action. In addition, independent efforts by allies working together to combat common threats condition those allies toward effective regional cooperation, helping to overcome Potential in future US-led activities. The level of preparation and responsibility among allies should increase. Finally, Neoclassical Realism returns attention to the long-term US goal to foster capable partners in the Pacific. Although support for the JADSC has the appearance of detracting from US control in the region, it is congruent with this long-term goal to develop the “self-help” capability of Pacific states to contribute to collective security. Even though the JADSC is currently limited to areas of non-traditional security, these are areas of interest to all Pacific states.

China’s Intervening Variables

Of all the states in the Pacific, China seems to view state relations in terms of power politics. Its reaction to the JADSC follows this view. China’s presumptions regarding the threat from Australia, Japan, and the JASDC, however, are not congruent with the rationale revealed by analysis of each states’ intervening variables. Figure 10 summarizes intervening variables for China. If Japan and Australia were competing for power, as might be predicted by traditional realist theories, there would be little incentive for them to restrain their agreement to limited, non-traditional areas of security cooperation. Nevertheless, understanding China’s presumptions explains China’s reacting to the JADSC as a power play. As discussed above, the logic leading to the JADSC does not indicate an aggressive power move on the part of either Australia or

¹³ United States of America, "The National Security Strategy Statement of the United States of America," i.

Japan. China's fears, therefore, demonstrate Perception as an impediment in its foreign policy.

Perception	Fear of containment Fear of continuing US hegemony View of militaristic Japan New Australia aggressiveness Power-politics paradigm for international relations
Potential	Maintaining government legitimacy Maintaining revolutionary zeal among population
Personality	Historical patron in region Do not want to be seen as weak relative to Japan Non-involvement in international institutions

Figure 10: China's Intervening Variables

China fears that new ties between regional democracies are a containment of its policy aspirations. A perfunctory assessment might indicate this. Detailed analysis by Neoclassical Realism shows that, although the democracies on China's borders are cooperating in areas of common security benefit, the JADSC is not a containment policy. China is also a stakeholder in regional security. The non-traditional areas of security cooperation outlined in the JADSC also benefit China, whether it participates or not. China's complaint about new regional cooperation is incongruent with the economic, security, and other benefits it derives from the associations. China's Perception of enduring Japanese militarism and signs of new Australian military aggressiveness are unfounded in the JADSC.

China's reliance on rousing rhetoric to maintain loyalty among its population indicates the impact of Potential on China's own policies.¹⁴ China's leaders appear, at times, to struggle with legitimacy due to a complacent population focused more on prosperity than distant security issues. This is a challenge for a personality-centric government that depends on a continuation of revolutionary zeal to maintain its 'mandate.'¹⁵ The tradition of dynastic rule accentuates the value of power, control, and non-transparency. Personality plays a large part in China's assessment of security imperatives. Historically the regional patron, it is more natural for China to expect compliance with its ideology than to participate in international institutions.¹⁶

The power politics paradigm for China's international relations will prove to be unproductive for China and detrimental for the Region. The intervening factors of Perception, Potential, and Personality obstruct prudent, cooperative policy-making that could lessen the risk of conflict. China's non-transparent policies exacerbate concern throughout the region.

Summary

The discussion in this chapter showed that Neorealism is inadequate in explaining the impetus for the JADSC. Neorealism lacks explanatory strength because it neglects domestic variables and focuses solely on systemic variables. From a system-level view, the JADSC is an anomaly.

Neoclassical Realism, however, is flexible enough to allow an analysis of both systemic and unit-level aspects of foreign policy decision-making. Even though some of these aspects seem to compete in their explanation of the actions of the United States, Japan, or Australia, they are domestically motivated viewpoints that contribute to understanding each state's position regarding the JADSC. China's view, while closest to

¹⁴ Caroline Rose, *Interpreting History in Sino-Japanese Relations* (New York: Routledge, 1998), 25, 147.

¹⁵ David M. Lampton, *The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000* (Stanford, CA: Stanford University Press, 2001), 155.

¹⁶ Bates Gill, *Rising Star: China's New Security Diplomacy* (Washington D.C.: The Brookings Institution, 2007), 22.

a power politics perspective, also is obscured by Perception, Potential, and Personality and has difficulty seeing beyond its political paradigm.

Neoclassical Realism also shows that bilateral agreements between the 'spokes' can serve the interests of the 'hub.' The JADSC does this. It focuses on areas of non-traditional security and applies allies' capabilities to augment US capability. In areas of non-traditional security, more is better. The United States, as the continuing security patron in traditional areas, does not lose policy control. Rather, it gains capability through its sovereign partners.

Chapter 6

Conclusions

The 2007 Japan-Australia Joint Declaration on Security Cooperation represented a milestone in security relations in the Pacific region. It was the first bilateral security agreement Japan signed with any country other than the United States since WWII. In traditional power politics, described by the widely accepted theory of Neorealism, this agreement was an anomaly. Regardless of whether Japan and Australia are viewed as great powers or lesser powers in the structure of the Pacific environment, aligning with each other is incongruent with the balancing that Neorealism would predict. This thesis endeavored to explain the incentives for Japan and Australia to cooperate in security matters and for the United States to support their efforts to enhance the enduring US-centric hub-and-spoke security framework implemented with the San Francisco Treaties in 1951.

First, the discussion showed the prevailing theories of international relations to be inadequate. Classical Realism focuses on the nature of humankind and focuses too heavily on the aspirations of the state's leader to explain foreign policy. Neorealism is a system-level theory that explains policy solely based on structural factors external to the state, ignoring domestic influences. It fails to explain variation in foreign policy by states within a given polar environment. Liberalism is a unit-level theory that favors domestic variables while ignoring the external power balance in the system. Multi-level approaches identify both unit-level and system-level constraints, but fail to account for the linkages between them.

Next, the thesis introduced the theory of Neoclassical Realism, which recognizes the effect of intervening variables on foreign policy decision-making. The intervening variable is defined commonly as a domestic political factor through which system imperatives are translated into foreign policy responses. Unfortunately, intervening variables are typically chosen by either arbitrary or ad hoc methods. This limits application of the Neoclassical Realism model to policies where a single intervening variable is easily discovered.

This thesis proposes a general intervening variable model that categorizes possible variables in terms of the effect on decision-making. The generalization observes and names three categories:

- 1) Perception—factors that obscure perception of the “true” international environment due to uncertainty or ignorance;
- 2) Potential—factors limiting intended or potential application of state capabilities or mobilization of resources and national will affecting the state’s ability to act prudently; and
- 3) Personality—factors related to national identity or personality due to overriding beliefs, fears, honor, or interests, which artificially focus policy toward promotion of internal ideals.

Admittedly, analysis of complex cases of interrelated foreign policy decisions may require more precision than these categories. The naming of Perception, Potential, and Personality, however, attempts to capture possible intervening variables in a widely applicable model. Conversely, for analysis of simple policy cases, even three intervening variables could be somewhat unwieldy. All three variables could be circumscribed into a single factor akin to Perception. Nevertheless, the three categories are comprehensive while maintaining their utility. They enable prudent analysis while avoiding ad hoc choice of variables. This generalization allows application of Neoclassical Realism in a more nuanced and robust manner to a variety of policy cases. The analysis of factors related to the signing of the JADSC demonstrated the usefulness of the model.

Following the theoretical development of the Neoclassical Realism model and the intervening variable, the historical and modern imperatives affecting relations in the Pacific region were discussed. From this, it became evident that geography and historical power relations in the Pacific region have residual effect on relations today. China continues to perceive itself as the regional patron and tends to view contrary political actions as threatening. Historically, Japan and Australia avoided China’s political influence due to geography. Japan remained independent, but frequently adopted culturally from China. Thus, Japan and Australia tend to be satisfied in exercising security policy separate from their economic relations with China.

Examination of US policy in the Pacific after WWII showed that Perception, Potential, and Personality dominated the debate regarding establishment of a lasting security regime for the region. The impact of these intervening variables was so great that a collective defense arrangement was impossible. The United States settled on a system of bilateral security agreements with each ally and committed to being the primary provider of security in the region. This system endures today and is known colloquially as the hub-and-spoke security framework.

The JADSC alters the US-centric security paradigm somewhat by creating a bilateral security cooperation agreement away from the 'hub.' The intervening variables for Japan and Australia simultaneously motivated the JADSC and prevented the JADSC from exceeding areas of non-traditional security. The dominant variables are Japan's inability to overcome Potential related to its pacifist constitution and Australia's split interest in its economic relationship with Japan and China. The Neoclassical Realism analysis shows that the JADSC adds to—not detracts from—US-provided security via the hub-and-spoke arrangement. In other words, the hub is not dented, but rather, the spokes are strengthened by the JADSC.

This conclusion was not possible via the prevailing international relations theories. Liberalism would have deemphasized the new, transnational security concerns as a motivation for the JADSC. It would have also minimized the importance of continuing the US security framework to mitigate the residual Cold War threats and rivalries. Classical Realism would not have explained the non-competitive cooperation inherent in the JADSC. Neorealism would have ignored the domestic factors that arbitrated the policy decisions by Japan and Australia to sign the JADSC and by the United States to encourage it. Even though realist thinking explains China's reaction to the JADSC, the reaction is not supported by a prerequisite change in relative power or evidence of aggressive intentions of the parties to the JADSC. Neoclassical Realism, however, permitted an evaluation of the JADSC that explained its acceptance by the United States and its appropriateness within the balance of the overall system.

The Neoclassical Realism analysis showed that the JADSC strengthens, not changes, the existing security arrangement that is based on the distribution of power in the Pacific. Since the existing arrangement is not changed, it follows that the JADSC

maintains overall compatibility with the prediction of Neorealism that Pacific allies will align with the United States, the dominant regional power. That the JADSC supports the underlying balance of power framework demonstrates the validity of Neoclassical Realism with respect to system-level imperatives. That Neorealism cannot determine this directly, demonstrates the value of analysis by Neoclassical Realism and the intervening variables.

Over the long term, international political outcomes are expected to mirror the actual distribution of power among the states, but states must make policy choices in the near term. The “murkiness” of the environment makes the future uncertain. In today’s world where interests are more than territory, power is more than militaries, and values speak as strongly as threats, the balance is yet to be determined—by the policy choices of the states themselves. Classical Realism and Neorealism have their place in explaining the environment in which states exist. Neoclassical Realism with the intervening variables of Perception, Potential, and Personality is essential to understand the actions states take within this environment and the reasons for which they take those actions.

To ensure stability and prosperity in the Pacific region, the United States should continue its policy of assisting states in improving their capabilities and encouraging their independent and cooperative contributions to collective security. While the JADSC is limited to areas of non-traditional security, the United States needs help from its allies in these areas. The JADSC is also a first step toward greater security cooperation. As cooperation matures and the changing security environment in the Pacific becomes more defined, such cooperation can develop into a broader collective security arrangement.

Appendix A: Japan-Australia Joint Declaration on Security Cooperation¹

The Prime Ministers of Japan and Australia,

Affirming that the strategic partnership between Japan and Australia is based on democratic values, a commitment to human rights, freedom and the rule of law, as well as shared security interests, mutual respect, trust and deep friendship;

Committing to the continuing development of their strategic partnership to reflect shared values and interests;

Recalling their on-going beneficial cooperation on regional and global security challenges, including terrorism and the proliferation of weapons of mass destruction and their means of delivery, and human security concerns such as disaster relief and pandemics, as well as their contributions to regional peace and stability;

Recognising that the future security and prosperity of both Japan and Australia is linked to the secure future of the Asia-Pacific region and beyond;

Affirming their common purpose in working together, and with other countries through such fora as Asia Pacific Economic Cooperation (APEC), the ASEAN Regional Forum (ARF), and the East Asia Summit (EAS), to achieve the objective of a prosperous, open and secure Asia-Pacific region, and recognising that strengthened bilateral security cooperation will make a significant contribution in this context;

Committing to increasing practical cooperation between the defence forces and other security related agencies of Japan and Australia, including through strengthening the regular and constructive exchange of views and assessments of security developments in areas of common interest;

Committing to working together, and with others, to respond to new security challenges and threats, as they arise;

Affirming the common strategic interests and security benefits embodied in their respective alliance relationships with the United States, and committing to strengthening trilateral cooperation, including through practical collaboration among the foreign affairs, defence and other related agencies of all three countries, as well as through the Trilateral Strategic Dialogue and recognising that strengthened bilateral cooperation will be conducive to the enhancement of trilateral cooperation;

¹ Japan Ministry of Foreign Affairs, *Japan-Australia Joint Declaration on Security Cooperation*, <http://www.mofa.go.jp/region/asia-paci/australia/joint0703.html>.

Desiring to create a comprehensive framework for the enhancement of security cooperation between Japan and Australia;

Have decided as follows:

Strengthening Cooperation

Japan and Australia will strengthen their cooperation and consultation on issues of common strategic interest in the Asia-Pacific region and beyond. This includes cooperation for a peaceful resolution of issues related to North Korea, including its nuclear development, ballistic missile activities, and humanitarian issues including the abduction issue. Japan and Australia also recognise the threat to peace and stability in the Asia-Pacific region and beyond posed by terrorism and will further strengthen cooperation to address this threat.

Japan and Australia will also strengthen their cooperation through the United Nations and other international and regional organisations and fora through activities such as peacekeeping and humanitarian relief operations. Japan and Australia will work towards the reform of the United Nations, including the realization of Japan's permanent membership of the Security Council.

The cooperation will be conducted in accordance with laws and regulations of each country.

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.

Areas of Cooperation

The scope of security cooperation between Japan and Australia will include, but not be limited to the following:

- (i) law enforcement on combating transnational crime, including trafficking in illegal narcotics and precursors, people smuggling and trafficking, counterfeiting currency and arms smuggling;
- (ii) border security;
- (iii) counter-terrorism;
- (iv) disarmament and counter-proliferation of weapons of mass destruction and their means of delivery;
- (v) peace operations;
- (vi) exchange of strategic assessments and related information;
- (vii) maritime and aviation security;
- (viii) humanitarian relief operations, including disaster relief;
- (ix) contingency planning, including for pandemics.

As part of the above-mentioned cooperation, Japan and Australia will, as appropriate, strengthen practical cooperation between their respective defence forces and other security related agencies, including through:

- (i) exchange of personnel;
- (ii) joint exercises and training to further increase effectiveness of cooperation, including in the area of humanitarian relief operations;
- (iii) coordinated activities including those in the areas of law enforcement, peace operations, and regional capacity building.

Implementation

Japan and Australia will develop an action plan with specific measures to advance security cooperation in the above areas.

Japan and Australia will further strengthen the strategic dialogue between their Foreign Ministers, on an annual basis.

Japan and Australia will build on their dialogue between Defence Ministers, on an annual basis.

Japan and Australia will enhance joint Foreign and Defence Ministry dialogue, including through the establishment of a regular Ministerial dialogue.

Signed at Tokyo this 13th day of March, 2007

SHINZO ABE
Prime Minister of Japan

JOHN HOWARD
Prime Minister of Australia

Appendix B: Major elements of the Action Plan to implement the Japan-Australia Joint Declaration on Security Cooperation¹

1. Strengthening cooperation on issues of common strategic interest

- (1) Enhance policy coordination on security issues in the Asia Pacific region and beyond
- (2) Exchange information and coordinate policy with respect to issues related to North Korea, such as the abduction, nuclear, and missile issues
- (3) Enhance bilateral cooperation in the trilateral framework with the United States and in other multilateral frameworks including any existing and future regional security groupings

2. United Nations reform

Continue dialogue and cooperation on UN Reform, including actively pursuing early realisation of Japan's permanent membership of the UN Security Council

3. Security and defence cooperation

- (1) Update the Memorandum on Defence Exchange to promote bilateral defense cooperation including in the following ways:
 - (a) annual Defence Ministerial meeting
 - (b) technical exchange
 - (c) information exchange
 - (d) cooperation in international peace cooperation activities, such as seminars relating to peacekeeping, studies on practical cooperation including logistics cooperation, exchange of information on disaster relief assets and capabilities, participation in the ASEAN Regional Forum (ARF) Desktop Exercise on Disaster Relief
 - (e) enhancement of bilateral defence cooperation in such frameworks as Japan-Australia-US trilateral framework and the ARF
 - (f) development of an annual calendar of cooperation and exchange activities
- (2) Conduct activities in accordance with the current Memorandum on Defence Exchange
 - (a) high-level exchange
 - (b) working-level exchange
 - (c) unit-to-unit exchange
 - (d) exchange between educational and research institutions, and Australia's participation in the Tokyo Defense Forum

¹ Japan Ministry of Foreign Affairs, *Major Elements of the Action Plan to Implement the Japan-Australia Joint Declaration on Security Cooperation*.

- (3) Establish a dialogue on cooperation in the Pacific
- (4) Conduct discussions on North Asian Security in the framework of the Australia-Japan 1.5 Track Dialogue
- (5) Enhance exchange of views on human security

4. Law enforcement

- (1) Enhance the cooperative relationship between the Australian Federal Police (AFP) and Japan's National Police Agency (NPA)
- (2) Exchange information relating to illicit drugs, including drug precursor chemicals
- (3) Commence regular dialogue to coordinate regional aid strategies on trans-boundary threats in the region
- (4) Hold Customs Cooperation Meeting to consider new areas of cooperation such as establishment of regular dialogue for information exchange between Customs experts.
- (5) Enhance cooperation to combat money laundering
- (6) Cooperate to progress discussions on the Arms Trade Treaty initiative

5. Border Security

Explore possibilities for bilateral cooperation in the area of border security

6. Counter-terrorism

- (1) Strengthen bilateral cooperation among counter-terrorism officials
- (2) Coordinate regional capacity building activities to help prevent the proliferation of MANPADS

7. Disarmament and counter-proliferation of Weapons of Mass Destructions and their means of delivery

- (1) Hold annually the Australia-Japan Bilateral Disarmament and Non-proliferation Talks
- (2) Cooperate to promote the PSI in the region.
- (3) Cooperate on counter-proliferation outreach efforts, including considering holding Chemical Weapons Convention implementation workshops
- (4) Promote the exchange of information relating to imports and exports of concern
- (5) Cooperate in the Nuclear non-Proliferation Treaty review process

8. Peace Operations

- (1) NPA to attend AFP's International Deployment Group pre-deployment training
- (2) Australia to contribute a trainer to Japan's pilot human resource development training program in peace building in Asia

9. Exchange of strategic assessments and related information

- (1) Commence discussions on measures taken by each country to protect classified information with a view to promoting information sharing among pertinent authorities
- (2) Enhance the exchange of strategic assessments and related information through regular meetings between relevant agencies

10. Maritime and aviation security

- (1) Hold a bilateral dialogue on transport security.
- (2) Australia Customs and Japan Coast Guard to meet to discuss joint exercises, personnel exchange, and training opportunities

11. Humanitarian relief operations, including disaster relief

- (1) Australia to participate in Japan's annual Urban Search and Rescue training
- (2) Establish an annual bilateral dialogue on disaster risk reduction in the region
- (3) Jointly strengthen the capacity of the UN to support regional disaster response and disaster management

12. Forthcoming dialogues

- (1) Japan-Australia Joint Foreign and Defence Ministerial Consultations in Australia in 2008
- (2) Foreign Ministers meeting in Australia in 2008
- (3) Defence Ministers meeting in Australia in 2008
- (4) Official's pol-mil dialogue
- (5) Official's Defence Policy Talks
- (6) Official's Disarmament and Non-Proliferation Talks
- (7) Customs Cooperation Meeting in 2008

September 9, 2007

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