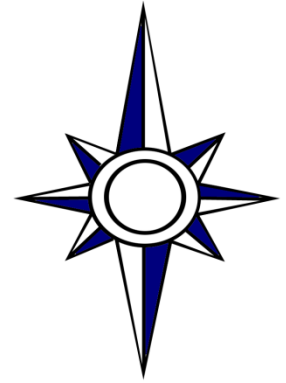


# Comparative Connections

A Triannual E-Journal on East Asian Bilateral Relations



**Australia-East Asia/US Relations:**

## **China Bumps, Indonesia Breach, Japan as Ally**

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On the first anniversary of its election on Sept. 7, the Australian Coalition government's foreign policy report card showed excellent relations with the US and Japan, a major diplomatic blow-up with Indonesia, and bumps with China. Tony Abbott's government is completing the withdrawal of Australian forces from Afghanistan, but the alliance and humanitarian arguments are drawing Australia back toward Iraq. The US rebalance to Asia is seeing more Marines rotate through northern Australia, and the US has similar plans for its ships and planes. The growth of the US-Japan-Australia trilateral has prompted one former prime minister to argue that Australia has more to fear from provocative actions by its trilateral partners than from China. For Australia today, to discuss the alliance is also to talk about China.

### **The US alliance**

One of the essential international rituals for a new Australian leader is the visit to the White House. Tony Abbott had his Oval Office moment with Barack Obama in June and the language of alliance flowed. The US president knew the required lines: "Aussies know how to fight, and I like having them in a foxhole if we're in trouble." Tony Abbott stuck to the established script: "I want to assure the President that Australia will be an utterly dependable ally of the United States." The headline out of the meeting was the security crisis in Iraq and Abbott's promise that Australia would support US action. The "announceable" was the two leaders giving the nod to a more detailed agreement covering US military training in northern Australia, plus further military cooperation on maritime security, disaster relief, and cyber security.

Two months later, the Force Posture Agreement was signed in Sydney at the annual Australia-United States Ministerial consultations, held on AUSMIN's 29<sup>th</sup> anniversary. The force agreement provides a 25-year policy and legal framework – and financial principles on who will pay – for the rebalance initiatives announced in 2011 when Obama visited Canberra. The signature element of the policy is the annual Marine deployment through Darwin (Marine Rotational Force –Darwin) now in its third year, exercising during the Northern Territory's six 'dry' months. The 2014 exercises involved 1,150 US Marines, up from 250 in 2013. The rotation is to rise to a 2,500-person Marine Air Ground Task Force by 2016-2017. The Sydney agreement foreshadowed enhanced aircraft cooperation and additional naval cooperation with the US promising a "significant, wide-ranging series of port visits planned for 2015." Just as the Marines rotate through Australia for extended periods, so could US ships and planes.

The evolution of the alliance builds on an Australian attachment to the US that is reflected in opinion polls. The 2014 Lowy Institute survey of Australian views on international affairs found

that the world leader Australians most admire is Barack Obama, followed by Hillary Clinton (ahead of Aung San Suu Kyi, Tony Abbott, and Angela Merkel). The poll showed Australia's support for the alliance remains strong, with 78 percent saying the alliance was very or fairly important for Australia's security (in the mid-2000s, under George W. Bush's presidency, support dropped as low as 63 percent). The survey questioned how much Australia could rely on the alliance in the future. It found a "very convincing" 85 percent believed Australia would still be able to rely on the US security guarantee in five years' time; 78 percent thought it would be reliable in 10 years; and 66 percent were confident in the alliance's worth in 20 years' time. Such alliance sentiment is the context for Australia's decision to turn back to Iraq, even as it exits Afghanistan.

## **Afghanistan and Iraq**

On Oct. 28, 2013, seven weeks after Australia's federal election, new Prime Minister Tony Abbott and new opposition leader Bill Shorten arrived in Afghanistan – as always an unannounced visit – to declare an end to Australia's longest war. The message from Abbott and Shorten was of a job well done, yet after 12 years of military effort the "mission accomplished" language was hesitant. "Australia's longest war is ending, not with victory, not with defeat, but with, we hope, an Afghanistan that is better for our presence here," Abbott told assembled troops at the Tarin Kowt base. From 2002, 41 Australians were killed on operations in Afghanistan – 40 with the Australian Defence Force and one serving with the British Army. More than 200 personnel were wounded and 26,000 service personnel rotated through the country.

"Not a victory, not a defeat, we did our best," is a cautious epitaph for a dozen years of fighting and the expenditure of A\$8 billion. One achievement that can be measured is the bipartisan unanimity that marked Australian politics at every stage of the Afghanistan saga. Australia's commitment spanned four prime ministers and eight opposition leaders – and all these leaders agreed on the war. The consensus between Labor and the Liberal-National Coalition – the two sides that form governments in Australia – was notable for never publicly wavering. Only the smaller Greens Party opposed Australia's role in the war.

Afghanistan joins the two World Wars and Korea as conflicts that did not see Australia's big political parties at war over the war. Afghanistan, indeed, saw broad unity in Canberra on how the war should be fought as well as the agreement that it was worth fighting. By contrast, the Labor Party opposed the Howard government's commitment to Iraq and withdrawal from Iraq was part of the policy that helped Labor win the 2007 election. The unusual joint visit by Abbott and Shorten expressed the political reality that Labor and the Coalition both supported an Australian military role in Afghanistan all the way through; the Coalition and Labor owned the war in government and neither deviated when in opposition.

The Australian Defence Force mission in Uruzgan concluded on Dec. 15, 2013, after a decade of operating in the province. The infrastructure at the multinational base at Tarin Kot was handed to the Afghan government, marking the conclusion of the International Security Assistance Force's primary mission in Uruzgan. In 2014, Australia's military numbers in Afghanistan are down to about 400 personnel who are training and advising the Afghan National Security Forces in Kabul and Kandahar.

Having withdrawn from operations in Afghanistan, Australia has turned back toward Iraq, the country the ADF departed from in 2008 after a five-year presence. Acting on the promise of support Abbott gave Obama at their White House meeting, the Australian Air Force has started to fly humanitarian missions in Iraq and to supply weapons to forces fighting the Islamic State forces. On Sept. 1, Abbott told Parliament that Australia had responded to requests from the US and Iraq:

So far, there has been no request for military action itself. Should such a request come from the Obama administration and supported by the government of Iraq, it would be considered against these criteria: is there a clear and achievable overall objective? Is there a clear and proportionate role for Australian forces? Have all the risks been properly assessed? And is there an overall humanitarian objective in accordance with Australia's national interests? Like President Obama, Australia has no intention to commit combat troops on the ground. But we're not inclined to stand by in the face of preventable genocide either.

A key domestic audience is Australia's Muslim population of nearly half a million people. David Irvine, director-general of the domestic counter-terrorist body, the Australian Security Intelligence Organisation, says a "tiny number of violent extremists" in the Muslim community are part of a "recurring nightmare" about the possibility of a terrorist attack on Australian soil. He told the National Press Club in August that the past two years of conflict in Syria and Iraq has radically complicated the threat, adding energy and allure to the extremist Islamic narrative:

The draw of foreign fighters to Syria and Iraq is significant and includes more Australians than all other previous extremist conflicts put together. The number of Australians of potential security concern to ASIO has increased substantially. ASIO believes there are about 60 Australians fighting with the two extremist al-Qa'ida derivatives, Jahabat-al-Nusra and the Islamic State in Syria or Iraq. We believe fifteen Australians have been killed in the current conflicts, including two young Australian suicide bombers. Another hundred people here in Australia are actively supporting these extremist groups, recruiting new fighters (and grooming new suicide bombing candidates), providing funding and equipment.

### **Japan as bilateral and trilateral ally**

According to Tony Abbot, Japan is Australia's "best friend in Asia" and Japan is a "strong ally" of Australia. Both remarks constitute a heightened calibration or elevation of the language about the Japan relationship. Abbott made the friendship pledge at his first meeting as Prime Minister with Abe Shinzo in October 2013: "As far as I'm concerned, Japan is Australia's best friend in Asia and we want to keep it a very strong friendship." The off-the-cuff greeting as the camera's recorded the start of the talks made Australian diplomats flinch but it is an accurate reflection of Abbott's thinking and the actions of his new government.

The prime minister proclaimed Japan a "strong ally" in November when responding to China's declaration of an air defense identification zone over the East China Sea. The "ally" tag is a shift from the usual Canberra description of a strategic partnership with Tokyo. Appearing before a Senate committee in February, Secretary of the Foreign Affairs Department Peter Varghese loyally supported the prime minister's description of Japan as an ally, but made a distinction

between “capital A” and “small a” allies: “The term ‘ally’ can be used in a precise way and it can be used in a generalized way. It can be used with a capital ‘A’ or a small ‘a.’ Japan is not a capital ‘A’ ally because we do not have a security agreement with Japan in the way that we have with the United States. Japan is a very close economic and strategic partner.” The definitional dance reflects changes over the previous two decades as Japan has quietly risen to become a defense partner for Australia that ranks beside New Zealand and Britain. Thus, Japan as a “small a” ally sits on the second tier, with the traditional Anglo allies, below the peak where the US presides as the principal and paramount ally.

In Prime Minister Abe’s Shangri-La Dialogue speech in Singapore in May on Japan’s greater future role in Asia’s security, he referred to Abbott’s visit to Tokyo the previous month and the partnership aims: “We clearly articulated to people both at home and abroad our intention to elevate the strategic partnership between Japan and Australia to a new special relationship.”

When Abe addressed Australia’s Parliament in July, he called for “a truly new basis for our relations.” He was stating a security ambition for Japan, but building on a military foundation already in place. The key fact of the existing structure was in this sentence: “There are many things Japan and Australia can do together by each of us joining hands with the United States, an ally for both our nations.” Australia and Japan can reach toward alliance without a formal when-the-shooting-starts-bilateral-pact because of the trilateral structure that expresses their two alliances with the US.

The US-Japan-Australia trilateral has grown rapidly in less than 15 years. The China dimension of this was expressed in Abbott’s speech to Parliament on Abe’s visit: “Australia welcomes Japan’s recent decision to be a more capable strategic partner in our region. I stress: ours is not a partnership against anyone; it is a partnership for peace, for prosperity and for the rule of law. Our objective is engagement, and we both welcome the greater trust and openness in our region that is exemplified by China’s participation in this year’s *RIMPAC* naval exercises.”

Once the trilateral that was the foundation for Australian defense thinking had New Zealand as the third leg – now it is Japan. Defense cooperation can be a function of military capability, and this is where Australia and Japan have much to share. Both are buying *F-35s* and the new defense agreement for sharing equipment and technology signed during the Abe visit means Australia’s future submarine can be driven by Japan. The deal opens the possibility that the next-generation Australian submarine could have a Japanese diesel-electric drive chain and a US weapons system.

Placing Japan beside Britain and New Zealand as a security partner is not to say that Tokyo and Canberra have achieved the intelligence-sharing intimacy of the Anglo club. But a lot is being shared and, again, this is driven by a trilateral dynamic with a Chinese flavor. The way things have shifted in the seven years since the signing of the Japan-Australia Joint Declaration on Security Cooperation in 2007 means Tokyo has risen in the hierarchy of Australia’s defense interests. The 2007 Declaration signed by John Howard and Abe Shinzo, in his first stint as leader, expressed an important security partnership that has continued to expand. The Joint Declaration does *not* amount to a formal alliance (much less an Alliance); it’s not a treaty to be invoked if ships clash and missiles fly. Yet, increasingly, Australia and Japan embrace the

trilateral and bilateral dimensions to work together from cyber to submarines to Asia's future, and to link their relationship to the twin alliances with the US.

### **China bumps and business**

It's hard to overstate the importance and the strength of Australia's relationship with China.... As liberalization spreads from the economy into other elements of Chinese life, I am confident that Australia will be a valued friend and strategic partner, as well as a rock-solid-reliable economic partner, to the Chinese people and government."

- Tony Abbott before his April visit to China

Not too far back in Australian history and not too deep in the national psyche, large amounts of anger and angst would have arisen if Chinese warships had conducted exercises in Australia's maritime approaches. For the first time, China's Navy has done just that. Two Chinese destroyers and a landing ship carried out the exercise in February – between Christmas Island and Java, before heading out into the Indian Ocean. The exercises were legal, if unannounced, but little wonder the Australian Air Force 'scrambled' and did some surveillance. No concern was expressed by Canberra but there was a twinge of low-level angst.

The public anger moment had been in November, when China announced an Air Defense Identification Zone in the East China Sea. Australia called in China's ambassador to Canberra to protest the action. Abbott said that in protesting to China, Australia had acted on its alliance relationships, its values and interests:

I think it's important for Australia to stand up for its values. We have to be reasonable and proportionate about these things and have to treat other countries and their leaders with respect and with courtesy but where we think Australia's values and interests have been compromised I think it's important to speak our mind and we believe in freedom of navigation – navigation of the seas, navigation of the air – and I think there is a significant issue here, and that's why it was important to call in the Chinese Ambassador and put a point of view to him.

In so joining values and interests in the one phrase, Abbott was breaking the rule repeatedly preached by the political master who made him, John Howard. The Howard mantra was always about the need to focus on the interests that united China and Australia, keeping these separate from their differing values. The mantra was that interests should bring Australia and China together, while too much about values could drive them apart. At the same press conference, Abbott added alliance to the mix, referring to the US as a strong ally and Japan as a strong ally. This was Abbott's response to the obvious follow-up question to his values-interests statement: Prime Minister, are you concerned about China's reaction? Do you think it could damage our trade with that country?

China trades with us because it is in China's interest to trade with us. We have good products, we have good reliability as a supplier, we can supply at competitive prices and I hope that is always the case. I expect China to be a strong and valuable economic partner of ours because it is in China's interest to be a strong and valuable economic partner of ours. I think China fully understands that on some issues we are going to take a different position to them. We are a strong ally of the United States, we are a strong ally of Japan, we have a very strong view that international disputes should be settled peacefully and in accordance with the rule of law and

where we think that is not happening, or it is not happening appropriately, we will speak our mind.

Also in November, the new Coalition government reconfirmed the previous Labor government's 2011 decision to ban the Chinese telecommunications giant, Huawei, from any role in building Australia's National Broadband Network. Labor shut out Huawei on the grounds of "national security." The Abbott government did the same, citing advice from its security and signals agencies. Huawei said it was "mystified" and "disappointed" by the decision, and a Chinese Foreign Ministry official said: "We always oppose countries using national security as a reason or an excuse to interfere in the economy and normal trade cooperation."

When Foreign Minister Julie Bishop visited Beijing in December for a strategic dialogue, she was given what Australian diplomats later described to a Senate hearing as rude and robust treatment by China's Foreign Minister Wang Yi. When reporters and cameras were present for the picture moment before the start of talks, Wang lashed out at Australia for its criticism of China's new ADIZ in the East China Sea: "I have to point out that what Australia has said and done with regard to China's establishment of the air defence identification zone in the East China Sea has jeopardised bilateral mutual trust and affected the sound growth of bilateral relations." Wang said the Chinese people were "deeply dissatisfied" with Australia's comments. Bishop told Wang that Australia respected "China's right to speak out on issues." She hoped China would respect Australia's right to "speak out on actions that affect a region of critical security importance to Australia." It took "no position on the Diaoyu Islands in the East China Sea, but we take decisions in our national interest," Bishop said. "We urge that there be no unilateral actions nor coercive actions but that both sides act in accordance with international law."

In an interview with *Fairfax* newspapers' John Garnaut in mid-2014, Bishop said Australia had lost nothing by having these exchanges with Beijing, because "China doesn't respect weakness." She said the Abbott government would be pragmatic and realistic in dealing with China: "We know that the optimum is deeper engagement ... but we're also clear-eyed about what could go wrong. And so you have to hope for the best but manage for the worst."

When Tony Abbott toured Northeast Asia in April, the focus was all on business, not on bumps. The prime minister was accompanied by 600 Australian business leaders as he visited Japan, South Korea, and China. Arriving at the Boao Forum in southern China, he declared: "Team Australia is here in China to help build the Asian Century. China, after all, has taken to heart Deng Xiaoping's advice that to get rich is glorious." Australia was not in China to do a deal, but to be a friend: "We don't just visit because we need to, but because we want to. Our region and our world need peace and understanding based on international law and mutual respect."

The cross currents in Australian thinking about China showed in the Lowy survey of Australian opinion on international affairs. The poll found China with 31 percent of votes just beat Japan (28 percent) in a question about Australia's best friend in Asia. However, nearly half those surveyed (48 percent) thought it likely that China would become a military threat to Australia in the next 20 years. And 56 percent thought the government allowed too much Chinese investment in Australia.

A similar foreign policy survey by the Australian National University found more than half of those polled viewed China as an economic threat to Australia, but only three in 10 saw China as a military threat. The ANU put Australian support for the US alliance at 81 percent. Respondents were almost evenly divided when asked to choose between the United States and China as the most important priority for Australia. The US scored 32 percent compared to 29 percent for China, while 35 percent saw the US and China as equal.

### **Australia intelligence, Indonesia, and Edward Snowden**

The massive release of US intelligence material by National Security Agency employee Edward Snowden sparked a diplomatic breach between Indonesia and Australia, causing the creation of a code of conduct on how the two countries spy on each other. In November, *The Guardian* newspaper and the *Australian Broadcasting Corporation* said documents showed Australian intelligence attempted to listen to telephone conversations of Indonesia's President Susilo Bambang Yudhoyono on at least one occasion and tracked activity on his mobile phone for 15 days in August 2009. Equally as explosive was the revelation that Australia had also targeted the mobile phone of the president's wife. The spying had taken place under the previous Labor government, but it was the new Coalition government that had to handle the controversy. In Parliament, Abbot refused to detail Australian intelligence operations or to apologize for them. In response, Indonesia broke off military cooperation, including help with Australian operations against people-smuggling, suspended intelligence cooperation, and withdrew its ambassador from Canberra for six months.

To resolve the issue, Indonesia called for a code of conduct on spy activity. Getting this deal took nine months. The wrangle over language and coverage is reflected in the title, which marries the Australian preference for an understanding with the Indonesian demand for a code, producing "The Joint Understanding on a Code of Conduct." The brief document signed by the two foreign ministers in Bali on Aug. 28 has two provisions for Australia and Indonesia:

1. The Parties will not use any of their intelligence, including surveillance capacities, or other resources, in ways that would harm the interests of the Parties.
2. The Parties will promote intelligence cooperation between relevant institutions and agencies in accordance with their respective national laws and regulations.

President Yudhoyono had achieved his aim of mending relations before leaving office in October. Indonesia's Foreign Minister Marty Natalegawa said intelligence cooperation would be restored in full and military contacts would resume: "I have every confidence, and here I am speaking personally and officially as well, that Indonesia-Australia relations will get back to where it has been. Not only are we going to get back to where it has been but actually, as a matter of fact, it would be even more enhanced in the future between both of us."

As Australia was starting to negotiate with Indonesia in January on the wording of the code, President Obama announced the outcomes of the review of US signals intelligence activities, following the Snowden revelations. Prime Minister Abbott released a statement on the US review that reflected the frame Canberra used in approaching the agreement with Jakarta. Abbott said Australia had some of the strongest intelligence oversight arrangements in the world,

striking the proper balance between maintaining security and protecting privacy. He expressed satisfaction with Australian intelligence work and related it to the US findings:

The President's statement highlighted the vital role played by intelligence in maintaining security and defeating threats such as terrorism, cyber attacks and proliferation of weapons of mass destruction. It also underlined the continuing importance of intelligence sharing among like-minded nations. Intelligence cooperation is a central pillar of Australia's alliance with the United States, and US officials have consulted Australia closely throughout the review process. President Obama and I have discussed the review and our close cooperation on intelligence. The United States' review addresses the particular circumstances of the United States. Each country makes its own decisions about the legal and policy frameworks best suited to its needs. Australia's intelligence activities play a vital part in safeguarding Australians, our national security and Australia's interests. They also benefit our allies, friends and neighbours.

### **Trade negotiations**

The Abbott government took office proclaiming that Australia was open for business and has stressed economic diplomacy. Trade Minister Andrew Robb was tasked with completing three bilateral free trade negotiations this year – with South Korea, Japan, and China. He has delivered on two of those goals, securing agreement with South Korea in a negotiation that started in 2009, and getting a deal with Japan in a negotiation that started in 2007. The Free Trade Agreement signed in April with South Korea – Australia's fourth largest trading partner – covers five percent of Australia's trade. The Economic Partnership Agreement signed in July with Japan – Australia's second largest trading partner – covers 11 percent of Australia's total trade. Canberra calls it “by far the most liberalising trade agreement Japan has ever concluded.”

Robb says Australia had to catch up with the US in getting a bilateral deal with South Korea, but in the Economic Partnership Agreement with Tokyo, Canberra broke new ground: “No other country has managed to negotiate such an ambitious agreement with Japan. No other country! For once Australia is ahead of the curve. We needed the Korea Free Trade Agreement to help level the playing field given the advantage the US and the EU had because of their deals with Korea. We were playing catch-up. Under the Japan Australia EPA, Australian exporters will have the advantage.”

The remaining target is an FTA with China, in a negotiation that is in its tenth year. China is Australia's biggest trading partner with two-way trade approaching A\$150 billion, representing more 20 percent of total trade. Robb's aim is get a deal that can be announced when China's President Xi Jinping visits in November to attend the G-20 Summit in Brisbane and address Parliament in Canberra.

The length of time involved in these bilateral efforts shows why the 12-nation negotiations for the Trans-Pacific Partnership, launched in 2008, involve an ever-shifting finish line. The Obama administration argues that achieving a high standard, meaningful TPP is the economic pillar of the rebalance to Asia. Former Secretary of State Hillary Clinton called the TPP a “strategic initiative” that would show Asia “the benefits of a rule-based order and greater cooperation with the US.” From Canberra's perspective, however, the entry of Japan into the TPP process has unbalanced the Obama effort to create the economic pillar of the rebalance. The TPP



negotiations are being driven by issues between Japan and the US; on bad days, the trade wonks think the economic third arrow of “market opening” promised by Abe is going to be fired at the US rather than at Japanese farmers.

### **An Ex-PM and Ex-FM on alliance and China**

For decades, when Australia talked about China it was often thinking about the US. The say-Beijing-think-Washington syndrome explains much about the refusal to recognize China until 1972, and was a continuing component of Canberra cogitation for decades after. Now, the reverse applies. When talking about the US, often Australia is thinking about China. See this in action in books by former Prime Minister Malcolm Fraser and the previous Foreign Minister Bob Carr. Fraser was a Liberal, Carr Labor, but their arguments reverse any understanding of Australian politics that sees the Liberals as the conservatives and Labor as the party of change. In this debate, Fraser is the radical and Carr prefers the status quo. Fraser’s rejection of the US alliance makes him the first Australian prime minister who does not want to be closely aligned and allied to a great and powerful friend. After more than a century of federation, we have a PM pointing Australia toward nonalignment or armed neutrality. Granted, it’s a PM who lost the job 30 years ago. But Fraser’s reimagining of himself and his country in his book *Dangerous Allies* remakes Australia as a country that no longer believes in, or needs, the US alliance.

Fraser writes that “almost a century of strategic dependence has left an indelible mark on the Australian psyche.” He judges that Australia’s habits of dependence and acquiescence mean it is “now more heavily aligned with the US than at any time in our history.” Fraser says Australia has become a “strategic captive” And the former PM thinks Australia has more to fear from provocative action by the US or Japan than from China. The man who was the third longest serving Liberal prime minister (1975 to 1983) takes a position on the alliance that takes him far from either the Liberals or Labor. Fraser argues:

- Dependence on the US should have ended with the Cold War: “There was no longer any fear of attack or any reason for Australia to make its own best interests, and the interests of the region in which we live, subservient to earning the goodwill of the US.”
- Australia is so heavily enmeshed in “American military and strategic affairs, in interoperability and in the use of military hardware that it is difficult to distinguish a separate military or strategic destiny.”
- Close Pine Gap, one of the largest US satellite intelligence bases outside the US. The Alice Springs facility is now a critical part of the US offensive capability. Hosting Pine Gap makes Australia a party to illegal drone attacks and even the potential “nuclear blackmail” of China through the ability of US and Japanese missile defense to destroy most of China’s nuclear missiles. (See the [Australia chapter in Comparative Connections](#), Vol. 15, No. 2, September, 2013, for a discussion of Pine Gap.)
- Australia should consider leaving the Anglo intelligence club with the US, Britain, Canada, and New Zealand, if one cost is “the idea that we are spying for, and on behalf of, the US.”

- Japan started the latest round of escalation in the East China Sea and Japan's growing militarism "might represent a dangerous factor in future years."
- China is not an imperial power in the sense that European states, the US, and the Soviet Union have been imperial powers. "China does not represent a threat to the integrity of an independent Australia."
- With current policies, Australia would have to join the US in a war with China. If the US lost a war with China, it could withdraw to the western hemisphere, leaving Australia, "geographically part of the Asia Pacific, but also a defeated ally of a defeated superpower."

Hacking at the shackles of the alliance leaves little space to discuss what the alternative looks like. The former PM repeatedly talks of the need for Australia to achieve strategic independence, but there's little discussion of the landscape of this armed neutrality nirvana. Fraser discounts the possibility of any threat emerging if Australia opted for strategic independence; the alliance, he says, poses "the greatest problem to our future in the region."

Bob Carr – foreign minister from April 2012 to September 2013 – grapples with the same facts and poses some hard questions about the alliance, but comes to the opposite conclusion to Fraser, arguing the alliance continues to deliver for Australia. Carr's diary of his time as foreign minister is a rolling policy seminar conducted as an interior monologue on the meaning of China as "the phenomenon of the age" and what this means for Australia's traditional relationship with the US. At the start, Carr reflects on the fears expressed in 2011 by three former prime ministers – Fraser, Hawke, and Keating – that Australia had tilted away from China. As a private citizen, Carr's blogs had put him in the Keating camp. In his first weeks in the job, Carr tells his diary he is "still worried about American judgment, about their capacity to be driven by anxiety and paranoia into producing a Cold War with China ... their record of walking breezily into two wars since Sept. 11 – that's a worry too." A few days after penning those thoughts, Carr jets into Washington for his first meeting with Hillary Clinton: "Our cornerstone relationship. Our most important bilateral one. The bottom-line guarantor of our security. And yet..."

That hanging, "And yet..." is the thought that haunts the new foreign minister. The push-back against the fear that Australia is too close to its great ally is a punchy memo from the former Labor leader, now Ambassador to Washington Kim Beazley. This is Beazley at his best, a vivid reminder that when he finishes as ambassador, Beazley must be chained to a desk until he writes the book he has long promised – the definitive history of the alliance with the US.

Carr starts off worried that Australia is a little craven and too desperate in its embrace of the US. Later he has similar worries about the Australian approach to China, judging that Beijing wants Canberra to be disorientated, defensive, and fidgety. The foreign minister frets that in days gone by, Australia did sometimes disagree with the US. But he has an obvious answer to the question: Do we want to live in a world dominated by Chinese or American values? Midway through the diary, Carr reports a "cold blast of realism" in a departmental paper that concludes China's rulers see Australia as less important than Canada and only slightly more important than New Zealand:

“While they will not ever enjoy us being close to the US, it is the one thing that would make them respect us.” Carr’s view that Australia sits a few rungs higher than New Zealand is bolstered by one of the diplomatic wins of his prime minister, Julia Gillard – the agreement for an annual summit with China. Australia accepts China’s wording on a “strategic partnership,” Carr writes, “in order to get them to give us guaranteed annual leaders’ meetings.” At the end of his journey as foreign minister and his rolling US-China seminar, Carr concludes: “We don’t have to choose: I had tilted things a little, helped a connection or two, settled on a formulation and it seemed to be holding and to reflect a national interest.”

We don’t have to choose rests on the hope Australia will not be forced to offer an answer to Asia’s defining conundrum. Confronting the same conundrum, everybody else, too, is madly hedging so they, too, will not have to choose. Not since the final days of the Vietnam War has the Australian polity so agonized over the US alliance and Asia’s future course. The pain of the problem is suggested by Carr’s expression of Canberra’s wish to say there is no question to answer, no choice necessary.

### **Chronology of Australia-East Asia/US Relations September 2013 – August 2014**

**Sept. 7, 2013:** In Australia’s federal election, a Liberal-National Coalition government is elected, ousting the Labor from power after six years in office.

**Sept. 18, 2013:** Prime Minister Tony Abbott and his Cabinet are sworn in.

**Sept. 25, 2013:** John Berry presents his credentials to Governor General Quentin Bryce, becoming the 25th US ambassador to Australia.

**Sept. 30, 2013:** PM Abbott makes his first overseas visit as leader to Jakarta to meet Indonesia’s President Susilo Bambang Yudhoyono.

**Oct. 2, 2014:** New Zealand PM John Key has talks in Canberra with PM Abbott.

**Oct. 4, 2013:** Foreign Minister Julie Bishop, Japan’s Foreign Minister Fumio Kishida, and US Secretary of State John Kerry meet in Bali for the fifth Trilateral ministerial meeting.

**Oct. 13, 2013:** Bill Shorten is elected leader of the Labor Party and becomes Opposition leader.

**Nov. 1, 2013:** PM Abbott announces his government will maintain the previous government’s ban on the Chinese communications firm, Huawei, having any role in the construction of the National Broadband Network.

**Nov. 12, 2013:** Australia’s 44<sup>th</sup> Parliament convenes.

**Nov. 18, 2013:** Documents leaked by Edward Snowden reveal Australia aimed to bug the phones of Indonesia's president, his wife, and ministers. Indonesia withdraws its ambassador from Canberra to "review" relations with Australia.

**Nov. 20, 2013:** President Yudhoyono announces the suspension of Indonesian intelligence cooperation with Australia, including on people smuggling. He sends a letter to PM Abbott demanding an explanation for Australia's tapping of his mobile phone.

**Nov. 28, 2013:** Treasurer Joe Hockey uses national interest powers to bar the A\$3.4 billion sale of the grain handler, GrainCorps, to a US company.

**Dec. 5, 2013:** Australia concludes negotiations for a free trade agreement (FTA) with the Republic of Korea, its third-largest goods export market and fourth-largest trading partner.

**Dec. 11, 2013:** General Motors announces that it will stop manufacturing Holden cars in Australia by 2017.

**Dec. 15, 2013:** The Australian Defence Force mission in Uruzgan, Afghanistan, concludes after a decade of operating in the province.

**Jan. 21, 2014:** Customs and Defence issue terms of reference for an inquiry examining how Australian vessels strayed into Indonesian waters between December 2013 and January 2014. Indonesia signals it will send a frigate into the region to monitor Australia's border protection activities and calls on Australia to cease the incursions and respect Indonesia's territory.

**Feb. 14, 2014:** FM Bishop flies Fiji to improve relations with Fiji's military regime ahead of elections scheduled for September.

**March 8, 2014:** Malaysia Airlines flight MH370 disappears on a passenger flight from Kuala Lumpur to Beijing. The focus of the search shifts to the southern part of the Indian Ocean, west of Australia, and Australia takes the lead in the search effort.

**March 26, 2014:** US Marines begin arriving in Darwin for their third annual rotation.

**March 31, 2014:** Australia wins a case against Japan in the International Court of Justice, with the court ruling that Japanese whaling is unlawful.

**March 31, 2014:** Australia lifts travel bans on members of Fiji's military regime.

**April 2, 2014:** Malaysia's Prime Minister Najib Razak arrives in Perth to meet PM Abbott to discuss the Indian Ocean search for the missing Malaysia Airlines flight MH370.

**April 2, 2014:** Australian government wins a court case to block the release of secret archives on Australian knowledge of Indonesian war crimes in East Timor after the 1975 occupation, arguing the release would increase current diplomatic strains between Canberra and Jakarta.

**April 5, 2014:** PM Abbott departs to visit Japan, South Korea, and China.

**April 7, 2014:** In Tokyo, PM Abbot and PM Abe settle the final details of a free trade agreement, completing a seven-year negotiation.

**April 8, 2014:** PM Abbott arrives in Seoul for the signature of the Australia-South Korea Free Trade Agreement.

**April 23, 2014:** Australia buys 58 more *F-35* Joint Strike Fighters at a cost of \$12 billion. The decision builds on the 2009 decision to purchase 14 *F-35*s, meaning Australia will have 72 of the aircraft to form three operational squadrons and one training squadron.

**June 4, 2014:** PM Abbott meets President Yudhoyono on the Indonesian island of Batam to discuss the diplomatic breach over Australian intelligence activity directed at Indonesia.

**June 13, 2014:** PM Abbott meets President Obama at the White House.

**July 8, 2014:** Japan and Australia sign a free trade agreement and an agreement on defense technology as Prime Minister Abe addresses Australia's Parliament.

**July 17, 2014:** Malaysia Airlines Flight MH17 is shot down over Ukraine, killing all 283 passengers and 15 crew on board – 38 of the victims were Australians. Australia leads the effort to get a UN Security Council resolution condemning the attack and joins with the Netherlands and Malaysia in the body recovery work.

**Aug. 12, 2014:** Annual Australia-US Ministerial Consultations (AUSMIN) are held in Sydney, involving Australia's foreign and defense ministers and the US secretaries of defense and state.

**Aug. 28, 2014:** Australia and Indonesia repair their relationship with the signing in Bali of a Joint Understanding on a Code of Conduct covering intelligence.

**Sept. 1, 2014:** Responding to Russia's campaign to destabilize Ukraine, Australia expands sanctions on Russia.

**Sept. 4, 2014:** PM Abbott arrives in India to sign a nuclear cooperation agreement that will allow Australia to sell uranium to India.

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