

## 寄稿

## Australia and Japan – Prospects for Regional Partnership

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Ladies and Gentlemen

I am delighted to have been invited to speak to you this morning.

As Australia's Ambassador to Japan, I am particularly pleased to note that this year marks the tenth year of the Visiting Professorship in Australian Studies at the University of Tokyo's Centre for Pacific and American Studies.

I understand that CPAS created the Professorship in 1999, to promote a deeper understanding of Australia and its regional engagement. The position is also supported by the Australia-Japan Foundation, the Australian Government body mandated to expand and develop contact and exchange between the peoples of Australia and Japan and to help project positive images of Australia and Japan in each other's country.

The Visiting Professorship brings distinguished Australian scholars to Japan to share their knowledge with Japanese students, and further their own studies in the Japanese context. It plays a vital role in deepening understanding and academic connections between our two countries. We are extremely grateful to CPAS for this important contribution to the bilateral relationship. We congratulate CPAS on the last ten successful years of the Visiting Professorship, and sincerely hope this excellent initiative can be sustained for many years into the future.

This morning I want to talk about Australia-Japan relations with a focus on the opportunities that lie ahead for cooperation between our two countries. It is the ideal time to be talking about Australia-Japan relations; both because of the very great strength of the relationship between Australia and Japan, and because of the very great changes that have been, and continue to, take place in both our countries, in the region we live in, and in the world. This changing environment makes it the perfect time to be taking a step back and thinking about what we can do together into the future.

The most obvious and most recent of these important changes is, of course, the change that has just taken place in Japan. The recent victory of the Democratic Party of Japan in the lower house election here, and the appointment of Prime Minister Hatoyama, has transformed the political landscape in a way that is without precedent.

For countries like Australia it is, of course, national interest, rather than political similarities or differences, that is the most important factor determining how we approach our relationship with other countries. We have a long and strong relationship with Japan that has been built under successive LDP governments; and we would expect that the interests that shaped that relationship would continue under any other Japanese government. In that

sense, it is neither appropriate for us to express a view on who should be governing Japan; nor is it of particular concern to us which side of politics happens to be in power at any given time. We are Japan's friend and partner because we have shared interests, values, and approaches. That will not change.

Australia's determination to maintain the closeness of our relationship with Japan, regardless of political change, has been highlighted by the high-level political contact we have pursued since the change of government here in Japan. Prime Minister Rudd ensured that he was among the first world leaders to telephone and congratulate Prime Minister Hatoyama after the election, and the two leaders enjoyed a long and congenial conversation. Prime Minister Rudd and Prime Minister Hatoyama also arranged to meet in person in the margins of the United Nations meetings in New York on Wednesday this week. They met for forty minutes, beginning with a private, ten minute, one-on-one conversation with just interpreters present—as far as I am aware, the only such private one-on-one meeting Prime Minister Hatoyama had in New York. The friendly atmosphere of the meeting was such that our leaders have agreed to call each other by their first names.

I have to say the early signs are that our leaders have struck up a very positive personal relationship, which is representative of the positive trajectory of our broader bilateral relationship. In this context, it is worth noting that Prime Minister Rudd—and Foreign Minister Smith, who met with Foreign Minister Okada in New York on Monday this week—have reaffirmed with their counterparts that Australia considers its relationship with Japan as its most important bilateral relationship in the region.

At this juncture, I want to digress briefly to identify why the Australia-Japan relationship is so important.

It is a relationship that extends well back into the 19th century, and which has deepened and strengthened over time, to the point that we now have a comprehensive relationship that encompasses strategic, security and economic cooperation. Prime Ministers Rudd and Hatoyama agreed in their meeting in New York this week to strengthen cooperation in all of these areas.

Our bilateral relationship stands on twin pillars of longstanding trade and investment ties, and growing security and defence cooperation. I will elaborate on these later in my speech, but suffice to say that Australia and Japan have been major trading partners since well before the Second World War, and have a framework for strategic cooperation second only to that which Japan shares with the United States.

The relationship is underpinned by shared values, intersecting interests and common approaches to international challenges. We are both lively Asia-Pacific democracies committed to human rights, freedom and the rule of law; we are both alliance partners of the United States; and we are both active members of the United Nations committed to the preservation of peace, stability and prosperity of our region.

The relationship is reinforced by deepening cultural and people-to-people links. Evidence of these links can be seen in the 100 or so sister city relationships between

Australian and Japanese cities, and the fact that all the Australian states also have sister relationships with Japanese prefectures. Even stronger evidence can be found in the field of education. There are 652 sister school relationships between Australia and Japan, and the number of Japanese students visiting Australia for educational purposes exceeded 90,000 in 2006-2007. Indeed, the CPAS Visiting Professorship in Australian Studies is a particularly pure example of the richness of our people-to-people links.

Progress in the bilateral relationship during the decade since the CPAS Visiting Professorship was established has been exceptional, and has continued despite political change on both sides — political change, in Australia's case, in the form of the advent of Prime Minister Rudd's Labor government in 2007 after 11 years of Liberal leadership under former Prime Minister Howard, and in Japan's case, 5 changes of Prime Minister, including, of course, the advent this month of Prime Minister Hatoyama's new Democratic Party of Japan-led government.

And so I return to my earlier theme of change. We have a relationship of depth and continuity, which is clearly valued on both sides of politics in both Australia and Japan, such that political change does not in itself have negative implications. Indeed at this time of political change in Japan there will be fresh opportunities for both Japanese and Australian policy-makers. At such a momentous time of change in Japan's political landscape we expect the Australia-Japan relationship will remain very strong and stable, but that it may also be expected to undergo some change and develop perhaps in new spheres. Furthermore, while we will be continuing to deal with many well-known issues, we will be dealing with new people. We look forward to the opportunity to become well-acquainted and to an open and productive dialogue with the new government. This I believe will mean this era should be a fertile time for new partnership building.

While these changes have been taking place in Japan, we have, of course, also been in the midst of a difficult and challenging time internationally. The global financial crisis and its economic effects have highlighted trends in international relations which mark this as a period of transition, and one in which international institutions and architecture need to be recalibrated to ensure that they are up to the challenges of a changing world.

Key elements of this change are, of course, well known to all of you. They include:

- The increased importance within the world economy of the Asia-Pacific region; and
- Changed strategic power relativities and an increasingly 'multipolar' global order, driven by changing patterns of underlying economic political power and global influence.

In such a context, multilateral diplomacy and institution-building has again become a key area of endeavour in foreign policy. It is striking in this context that both the new government of Japan and the slightly older government of Australia, as well as the Obama administration in the United States, have a clear commitment to such activity. Again this offers great scope for partnership, and it is in this area that I want to focus much of the rest of my comments today.

I want to look specifically at the potential for Australia and Japan to engage in new collaboration that benefits not just each other, but our region as well. When speaking about his ideas for the future of the Asia Pacific region at the Shangri-La Conference in Singapore earlier this year, Prime Minister Rudd said that the countries of the Asia Pacific region had a choice to make — whether to seek actively to shape the future of the region, or whether to instead adopt a passive approach and wait and see how the region evolves. There is no question in our minds that Australia and Japan, as key players and partners in the region, have a particular responsibility and opportunity to be active in taking a leading role in shaping the region's future.

### **Regional Architecture**

Australia and Japan have already done much together to shape the growth of our region. Twenty years ago, under then Prime Ministers Bob Hawke and Toshiki Kaifu, the Australian Department of Foreign Affairs and Trade and Japan's Ministry of International Trade and Industry (MITI) worked closely together throughout 1989 to create an Asia Pacific regional grouping to promote multilateral economic discussion on issues of trade and investment. The discussions led to the birth of APEC at a meeting in Canberra in November 1989.

We remain partners in APEC's ongoing work. Japan will host next year's APEC meeting in Yokohama in 2010 — and we look forward to continuing the close cooperation we have enjoyed since APEC was established.

We have also collaborated in the emergence and the subsequent work of vital regional bodies such as the ASEAN Regional Forum and the East Asia Summit which are both very important bodies for our region.

While APEC, the ARF and the East Asia Summit are all important parts of our regional architecture, there is currently no single regional organisation with a pan-regional mandate that covers the full policy spectrum. We believe we need to find a mechanism that brings together the leaders of the key nations in the Asia Pacific region—including Indonesia, India, China, Japan, the United States and other nations — with a mandate to engage across the breadth of the security, economic and political challenges we will face in the future.

In June last year Prime Minister Rudd proposed the development in the long term of what has been coined an Asia Pacific community. Deliberately, Prime Minister Rudd has not been definitive about the structure, size or membership of the community he is proposing. At this stage, in line with his interest in having the region actively shape its future in its own interests rather than passively allow its evolution, his focus is primarily to stimulate discussion of the issues.

But it is clear that an Asia Pacific community with a broad mandate could work to shape a healthy future for the region. An Asia Pacific community could help ensure that the process of regional economic and financial integration keeps moving forward. An Asia Pacific community could also help to nurture a culture of cooperation and collaboration on security — including a culture of military transparency, helping to build confidence and

security-building measures by providing information that reassures neighbours rather than alarms them. An Asia Pacific community could also provide a vehicle for discussion and cooperation across the range of challenges with transnational reach, such as climate change, resource and food security, bio-security and terrorism.

It is clear also that there is complementarity between Prime Minister Rudd's proposal for an Asia Pacific community and Prime Minister Hatoyama's interest in an East Asian community. At the heart of each concept is recognition that, for the region that is fast becoming the engine of global economic growth, smooth and peaceful regional integration will require foresighted, institution-based rule-building. Prime Minister Hatoyama has already said that he sees the East Asian and Asia Pacific community proposals as connected. Prime Ministers Rudd and Hatoyama exchanged ideas on their respective proposals during their meeting in New York on 23 September, and agreed they would continue this discussion. Just as Australia and Japan helped cement APEC's leading regional role, so too, in integrating these two proposals, Australia and Japan have the opportunity to actively work together to shape the region's future for the best.

Looking beyond the region, we have the opportunity to work together to shape the international system through cooperation in the G20 framework. Australia and Japan worked effectively together during the global financial crisis to ensure swift action by the G20 to successfully stabilise financial markets and stimulate the global economy. Prime Ministers Rudd and Hatoyama agreed during their meeting in New York on Wednesday on the importance of the G20's role in addressing this crisis, and to continue their cooperation in the G20.

Australia believes strongly, as Prime Minister Rudd argued in a speech to the Foreign Policy Association in New York earlier this week ahead of the Pittsburgh G20 Summit, that we should, in fact, work to institutionalise the G20 as the leading body in global financial governance, superseding frameworks like the G7 and G8. It was the G20—rather than the G7, G8, International Monetary Fund or other elements of the financial architecture of last century—which broke the fall in the global economy, and which we believe is best placed to be the driving centre of the global economy for the future. We look forward to working with Japan in realising this objective.

### **United Nations**

Of course, of all international institutions, the United Nations is the premier forum for further expansion of Australian and Japanese cooperation to actively shape the present and future stability of our region and our world, given the commitment of both our governments to multilateralism as the most effective means of addressing regional and global challenges. The active engagement of both Australian and Japanese Prime Ministers and Foreign Ministers in a range of UN meetings this week reflects this shared commitment.

Of course, Australia and Japan already cooperate closely in the UN context. Australia is a consistent supporter of Japan's initiatives in the UN General Assembly, such as its annual

sponsorship of a resolution on nuclear disarmament, and of Japan's efforts to have the UN Security Council respond robustly and appropriately to North Korea's missile and nuclear provocations.

Australia is also a consistent supporter of Japan's candidacies across the United Nations system. Earlier this year, Japan assumed its non-permanent position on the United Nations Security Council, which Australia supported. Australia has also long supported Japan's elevation to permanent membership of the Security Council, as well as broader reform to improve the UN's effectiveness.

Australia is itself seeking election to the Security Council as a non-permanent member for the 2013-14 term. We will bring to that role a wealth of experience, including in peace-keeping, conflict prevention and peace-building. We look to Japan's support for our campaign, to enable even more direct cooperation on the range of UN projects in which we have complementary interests.

### **Climate change**

Climate change is a global issue of actual importance to our two countries and one that will certainly impact the future of both our region and the world. Australia looks forward to working closely and constructively with Japan on climate change. Australia and Japan already have a good history of working together to create a cleaner, greener world. Australia applauded Japan for making climate change a central theme during its G8 Presidency in 2008. Japan has strongly supported the establishment of Australia's new Global Carbon Capture Storage Institute (GCCSI), which will help deliver the G8's goal of developing at least 20 fully integrated industrial-scale demonstration projects by acting as a catalyst for developing projects. And we have worked closely together in the United Nations Framework Convention on Climate Change (UNFCCC) and Major Economies Forum, particularly in the 'Umbrella Group', as well as the Asia Pacific Partnership for Clean Development and Climate (APP), APEC and the East Asia Summit.

But the advent of the new Hatoyama Government opens up new prospects for cooperation in this area. Both Japan and Australia are showing the preparedness to play leadership roles in dealing with climate change. We welcome Prime Minister Hatoyama's commitment to reduce Japan's emissions by 25 per cent on 1990 levels by 2020—provided all major emitters are included in a global agreement. Prime Minister Rudd has already committed to reduce its greenhouse gas emissions by 25 per cent on 2000 levels by 2020 if the world agrees to an ambitious global deal to stabilise levels of CO<sub>2</sub> equivalent in the atmosphere to 450 parts per million or lower. This implies that every Australian would almost halve their emissions compared to 1990 levels.

Domestically, both Australia and Japan are looking to set up mandatory emissions trading schemes, which will help them to achieve these ambitious targets. In Australia, legislation to establish a Carbon Pollution Reduction Scheme was introduced to the House of Representatives in May 2009 and passed by the House on 4 June 2009. On 13 August 2009,

the Senate voted against the Bills, however the Government has indicated that it intends to reintroduce the Bills before the end of 2009.

Prime Minister Rudd's determination to set up a Carbon Pollution Reduction Scheme in Australia, and Prime Minister Hatoyama's commitment to introduce a mandatory emission trading scheme in Japan, presents an opportunity for our two countries to make regional best practice by working together towards linkages in our future carbon trading markets. Again, we can begin active collaboration now to shape this future together.

### **Nuclear Non-Proliferation**

Another area in which there is coherence between Australian and Japanese policy and room for closer cooperation is nuclear non-proliferation. Last year Australia and Japan had already jointly established the International Commission on Nuclear Non-proliferation and Disarmament (ICNND).

The Commission, which is co-chaired by Ms Yoriko Kawaguchi, a former Japanese Environment Minister and Foreign Minister, and Mr Gareth Evans, a former Australian Foreign Minister, is reinvigorating global efforts to prevent the proliferation of nuclear weapons and to seek a recommitment to the ultimate goal of a nuclear weapons-free world. It will finalise its report at a meeting in Hiroshima next month.

By establishing the Commission, Australia and Japan have already made a strong and timely contribution to the prospects for a successful Nuclear Non-Proliferation Treaty Review Conference in 2010. There are good signs that our collaboration in this area is set to continue. We welcome the very positive statements in support of the work of the ICNND made by Foreign Minister Okada last week following the inauguration of the new Japanese Cabinet. We also welcome the fact that, at their meetings in New York this week, our Prime Ministers and Foreign Ministers agreed that Australia and Japan will continue cooperating towards the success of the NPT Review Conference, including on the basis of the report to be produced by the ICNND. There is clear potential for the Rudd government and the new Hatoyama government to cooperate towards realising the success of the NPT Review Conference, and in making broader contributions to global nuclear non-proliferation and disarmament.

### **Trade relations**

While it is clear that there are a number of different elements of foreign policy in which there is particular coherence and opportunity for Australia and Japan to work together to actively work in the region's interests together, I would like to take a few moments to review the pillars of our bilateral relationship which provide the strong foundations on which this partnership can be built further.

One pillar of our bilateral relationship is our trade partnership. It would be wrong, in looking at all the positive developments and potential on other fronts, to ignore the ongoing pivotal role of Australia's largest trading relationship, one that, as noted above, was already

important well before the Second World War. By the late 1980s, Australia had already established its position as a major supplier of energy, resources and agricultural products to Japan.

In 1989, Australia exported its first shipment of liquefied natural gas (LNG) from the North West Shelf to Japan. In just five years, exports of LNG to Japan increased by 813 percent and by 1994, Japan was our most important export market for LNG. Recent new contracts, announced as new LNG fields in Australia are opened up, mean that Japan will not only remain our most important export market for LNG, but over the next few years will make Australia Japan's most important source of LNG. Indeed, Australia is already Japan's number one overall supplier of energy given our large exports of coal, uranium and LNG.

More generally, two way merchandise trade with Japan has tripled in value in the last twenty years. In 2008 merchandise trade between Australia and Japan grew by 41 per cent, with Australia's merchandise exports growing by a massive 58 per cent. While these huge increases reflected the record high commodity prices that applied in 2008, and are likely to fall back somewhat in 2009, it is important to register that in 2008, this meant that Japan once more became Australia's largest merchandise trading partner—a position it has held for most of the last forty years until China surpassed it for one year in 2007.

While we may expect that the current global economic crisis will make maintaining that strength difficult, Japan will remain one of Australia's two largest export markets for a long time to come.

Resources aside, Australia is also one of Japan's three most important suppliers of agricultural products. We are very pleased that so many Japanese people are drinking beer made with Australian barley; eating soba made from Tasmanian buckwheat, and hamburgers and steaks made of "Aussie beef"; as well as lighting and heating their homes and cooking with electricity and gas generated by Australian coal, LNG and uranium.

And we are particularly proud that that means that the food you are eating is safe food; that you can be assured of constant supply; and that your country knows it can continue to rely on us as a stable supplier of energy into the future.

It is also very noteworthy that the economic partnership between Australia and Japan means that Japanese investment has been welcomed to the point where Toyota Australia is our largest exporter of cars—which themselves are Australia's largest manufactured export.

The huge opportunities that derive from the high levels of economic complementarity between Australia and Japan continue to provide people in both countries with a strong incentive to learn more about the other. It is for this reason, as well as for strong commercial reasons that we believe it is time to take this relationship to a new level. As you may be aware, our two countries are currently negotiating a bilateral Free Trade Agreement, also known as an Economic Partnership Agreement. Such an agreement will entrench and enhance the benefits of trade and investment, both to our economies and to the ongoing strength of the bilateral relationship.

Australia looks forward to working with Japan's new government to make substantive

progress on the bilateral FTA negotiations. To date there has been much talk in some quarters in Japan on supposed negative impacts of an FTA with Australia. But some of these concerns appear to be based on less than full information. For example, Australia is well aware that rice is Japan's most important agriculture sector, but the reality is that an FTA with Australia presents absolutely no threat to the Japanese rice industry. Japan produces around 8.5 million tonnes of rice per year. In 2008 however, Australia produced less than 20,000 tonnes of rice. Australia is a rice importer—Australia even imports rice from Japan.

Australia's position amongst Japan's three largest suppliers of imported food provides us with a strong understanding of Japan's agriculture sensitivities. In fact, I travel regularly to regional Japan and have met with farmers from the southernmost island of Tanegashima to the northern island of Hokkaido. My travel in regional Japan has allowed me and the Australian Government to obtain an even better understanding of Japan's sensitivities on agriculture in the FTA negotiations.

The Australian government remains confident about our prospects for concluding an FTA with Japan, but we also consider that it's time to get serious and take our negotiations to the next stage. I will be frank—Australia is seeking an outcome that provides a commercially meaningful outcome for both countries—this must include agriculture.

Australia believes that Japan's food security will be achieved through a strengthened domestic agriculture sector, together with a strengthened food trade partnership with key suppliers such as Australia. Australia already has a well deserved reputation as a reliable supplier of safe and high quality food to Japan. An FTA with Australia will strengthen the Australia-Japan food trade even further and it will assist with domestic efforts to improve productivity of Japan's agriculture sector. Significantly, lower tariffs on food and agriculture imports from Australia under an FTA would mean lower business input costs for many of Japan's agri-food businesses which import semi-processed and processed products for use in making their own products. It would also mean lower retail prices for Japanese consumers.

An FTA would also strengthen Japan's energy security under increasing pressure on global energy markets. It would open up promising new sectors, such as clean green technology, bio-technology, food technology, education exports and financial services.

### **Security cooperation**

The other pillar of our bilateral relationship is our security and defence cooperation. In the 1990s and over the decade of the CPAS Visiting Professorship, Australia's relationship with Japan on strategic issues has blossomed to become one of the closest and most important either of us has.

The Australia-Japan Joint Declaration on Security Cooperation, signed in March 2007, was the first such document that Japan had signed with any country other than the United States. While this is not an instrument of the same order as the United States/Japan Security Treaty, it is a significant step.

The Declaration affirmed our growing strategic partnership and set out an Action Plan to

take forward practical measures that enhance our cooperation on security matters, including an annual 2+2 meeting between our Foreign and Defence Ministers, the second meeting of which took place in Tokyo in December last year. This is the only formal 2+2 Foreign and Defence Ministers' meeting that Australia has in Asia, and the only 2+2 meeting that Japan has with any country other than the United States.

Within these frameworks, we continue to work to enhance our strategic cooperation. During the 2+2 meeting in Tokyo in December last year, our Defence Ministers signed a new Memorandum on Defence Cooperation which provides the basis for training and exchanges between our countries' forces. A prime example of the sort of cooperation being conducted between our forces occurred earlier this week, with Australian aircraft conducting joint training exercises with the Japanese Maritime Self-Defence Force in Exercise Nichi-Gou Trident. This follows on from visits to Tokyo by the Royal Australian Navy vessels HMAS Ballarat and Success last week.

Also at the 2+2 meeting last year, our ministers committed themselves to accelerate work in logistics cooperation with a view to further enhancing our military forces' capacity to work together. And we are currently working together to implement the goal set at that 2+2 meeting to develop a proper legal framework to provide for the security of shared classified information. This cooperation and growing interoperability between our defence forces not only enhances our own national security, but that of the Asia-Pacific region.

In the context of our shared commitment to international security, Australia welcomed Japan's moves earlier this year to deploy two naval destroyers to conduct anti-piracy operations in the Gulf of Aden and to continue naval refueling activities in the Indian Ocean, in support of international operations in Afghanistan. Australia's own deployments to these areas raise the prospect of opportunities for further practical collaboration between our forces.

We are also increasingly focused on ways to assist Pakistan deal with the threat posed by Islamist extremists. Like Japan, we are a member of the Friends of Democratic Pakistan Group, which supports Pakistan in addressing its internal challenges, and coincidentally has just this week convened again in New York with our ministers in attendance.

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, just as it remains a cornerstone of Japanese diplomatic policy, regardless of the incumbent government.

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 United States enhance our own security and contribute to the stability of the Asia-Pacific region generally.

By 2020, Asia will account for around 45 per cent of global GDP, one-third of global trade, and more than half of the increase in global energy consumption and 56 per cent of the world's nearly 8 billion people will live in Asia. The emergence of new key players—not

only China and India but also potentially others such as Vietnam and Indonesia—will significantly change regional dynamics.

In this context, the Japan-Australia partnership will have a key role, both to ensure the United States maintains its active and benign engagement in this region for the development of an open and stable regional security environment; and participate in and guide the development of effective, functioning, inclusive and transparent regional institutions.

Strengthened bilateral cooperation between Australia and Japan enhances our respective relationships with the United States, as well as trilateral security and defence cooperation between our three countries. A key framework for taking forward this trilateral cooperation is the Trilateral Strategic Dialogue (TSD). Coincidentally, our respective Foreign Ministers, together with US Secretary of State Clinton, held a ministerial level meeting of this dialogue in New York on Monday, at which they reaffirmed their commitment to the trilateral process and discussed ways in which trilateral cooperation can be advanced to meet future challenges, particularly in the Asia-Pacific region.

### **Conclusion**

The Australia-Japan relationship is one of tremendous significance and closeness. It is a relationship which has an impressive history of cooperation which stands on solid pillars of partnership in trade and security cooperation.

More importantly, however, it is a relationship which has a future, full of potential for Australia and Japan to cooperate in shaping the future of our region and meeting the challenges we face here and globally.

And we must not forget that this potential for cooperation is ultimately underpinned by the high level of respect and understanding Australian and Japanese people have for each other. This trust has been built up through our rich tradition of personal, cultural and educational exchange, in which CPAS has played a vital role through the Visiting Professorship program. Thank you again for your contribution to ensuring enduring friendship and collaboration between Australia and Japan.