

## Steadying the US rebalance to Asia

### The role of Australia, Japan and South Korea

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Given China's rise and Asia's economic ascent, military growth and increasing trade flows, the US 'pivot to Asia' reflects an appropriate policy response to changing global realities. The pivot (now called a 'rebalance') implies a shift in US attention and resources in the military, diplomatic and economic spheres from the Middle East and Europe towards Asia. The main goals of the rebalance are to bolster the current American-led order, enhance US access to Asian markets, reassure allies and encourage them to share more of the security burden.

In May 2014, US Secretary of Defense Chuck Hagel highlighted American expectations of allies by stating that one of America's key security goals was 'enhancing the capabilities of our allies and partners to provide security for themselves and the [Asia-Pacific]'.<sup>1</sup> In late 2013, US National Security Advisor Susan Rice reiterated this message: 'We are urging our allies and partners to take greater responsibility for defending our common interests and values.'<sup>2</sup> Immediately afterwards, Rice named Japan, South Korea and Australia, underscoring their centrality in US defence planning and perhaps placing them at the top of the list of 'higher expectations'.



President Barack Obama meets Australian troops at the conclusion of his visit to RAAF Base Darwin, 17 November 2011. Photo courtesy Department of Defence.

Recent US official documents also reflect increasing expectations of allies. The 2014 *Quadrennial Defense Review* states that the US should make ‘greater efforts to coordinate our planning to optimize [our allies’ and partners’] contributions to their own security and to our many combined activities’.<sup>3</sup> In addition, Chairman of the Joint Chiefs of Staff, General Martin Dempsey, wrote in his chairman’s review, ‘We expect more from our allies even as their military power is mostly in decline, particularly relative to potential threats.’<sup>4</sup> Compared to previous *Quadrennial Defense Reviews* that stressed the importance of reassuring allies and deepening cooperation with them to demonstrate US resolve, the latest version instead emphasises the contribution of allies.

Some American academics have been even more candid. In April 2014, Harvard’s Professor Stephen Walt wrote:

If China’s increased military power is really so alarming, why are countries like Japan, South Korea, and Australia doing so little to bolster their own military capabilities? Either they aren’t as worried as they pretend, or they have become accustomed to assuming Uncle Sam will take care of them no matter what.<sup>5</sup>

Although US expectations in both official and unofficial circles have intensified, the Obama administration has been reluctant to explicitly state what more it wants allies to do. In addition, US proponents of the rebalance have been shuffled over the course of Obama’s two terms, causing the policy messaging to be unclear at times. This paper seeks to clear up the uncertainty surrounding US hopes and wishes of allies and to provide Australia with a fuller picture of the opportunities and challenges in our strategic alliance with the US.

Of the several US allies in Asia, this paper focuses on three: Japan, Australia and South Korea. How have they supported the US rebalance to date? And what additional contributions would the US like to see from them? Finally, where Australia is concerned, is it in our interests to further support the rebalance, and do we have the ability to provide additional backing? This paper aims to answer these important questions and provide policy recommendations for Australia.

Research for this paper included more than 30 interviews with US think-tank experts, academics, industry executives and Pentagon, State Department and Australian Government officials.

## Recent allied contributions to the rebalance

The rebalance is a multifaceted foreign policy. While its military aspect has attracted the most attention, it also includes economic and diplomatic–political dimensions. Individually, Japan, Australia and South Korea have contributed to almost all of those dimensions, to varying degrees.

### Japan

Japan’s most important contribution to the rebalance so far has been a political–military one, by reinterpreting its pacifist constitution and expanding the role of the Japan Self-Defense Forces (JSDF).

In July 2014, after more than a decade of failed attempts, Japan announced that it had dropped its ban on collective self-defence and could now come to the aid of allies and friends if they’re attacked.<sup>6</sup> Voicing America’s strong support, Secretary Hagel noted that this would enable historic revisions of the US–Japan defence guidelines and increase opportunities for bilateral cooperation.<sup>7</sup> The shift will improve Japan’s dynamism in a conflict and allow it to participate in more humanitarian assistance and disaster relief activities, thereby deepening its contribution to regional peace and security. The move also symbolises Japan’s willingness to be a more active security partner of the US into the future.

Japan has also committed to increase its defence spending. It currently spends 1% of GDP on defence but is due to increase the dollar amount by 3% over the next five years, marking the largest increase in more than two decades.<sup>8</sup> (However, the decline in value of the yen relative to the US dollar means that Japan’s defence budget has declined in parity terms.<sup>9</sup>) Tokyo plans to acquire new submarines, fighter jets, naval destroyers (including two with Aegis anti-ballistic missile systems), surveillance drones and

amphibious vehicles.<sup>10</sup> The Abe government's expansion of the role and capabilities of the JSDF, and its political backing of the rebalance through public statements of support, have been its greatest contributions to the rebalance.

## Australia

Australia's clearest contribution to the rebalance has also been military, as reflected in the hosting of a rotational deployment of US Marines through Darwin.<sup>11</sup> In addition, under the new 25-year force posture agreement signed in August 2014, Australia will host US warplanes such as B-52 bombers and fighter jets out of RAAF Darwin and Tindal and provide enhanced access for US Navy ships, including nuclear submarines, to ports around Australia. Furthermore, Canberra has agreed to deepen military cooperation with the US on special forces operations and training, interoperability, space, cyber capabilities and ballistic missile defence. The US sees Australia's intention to increase defence spending from 1.6% to 2% of GDP by 2023<sup>12</sup> as further support for the rebalance.

Australia has made a diplomatic-political contribution as well. Like Japan, we've backed the rebalance through statements of bipartisan political support for sustained US engagement in the region. The previous Labor government welcomed Obama's announcements in the Australian Parliament in November 2011 and, more recently, Prime Minister Tony Abbott reiterated his government's support, saying, 'Asia needs America involved. The world wants America to succeed. The world needs America to succeed.'<sup>13</sup>

From an American perspective, Australia has lent additional diplomatic-political support by toughening its response to assertive Chinese behaviour. Our strong and immediate response to China's November 2013 declaration of a new air defence identification zone, which covered territory claimed by Japan and South Korea, was greatly appreciated in Washington. Foreign Minister Julie Bishop said that Australia 'opposes any coercive or unilateral actions to change the status quo in the East China Sea'.<sup>14</sup> American analysts see this as invaluable for showing that 'what China does affects everyone in the region, not just the states it has territorial disputes with'.<sup>15</sup> Australia's tougher diplomatic tone in relation to China is seen as underscoring the rebalance.

## South Korea

South Korea's support for the rebalance has been weak. This is partly due to its concerns about offending China, which sees the policy as the beginning of a creeping coalition of the US and its allies against its rise. South Korea relies on China for trade and hopes for Beijing's backing in a reunification scenario with North Korea, but also relies on Washington for security. While Australia is in a similar position—being heavily dependent on China for trade and having the US as its main security guarantor—we don't share Seoul's unification concerns, have China for a neighbour or have territorial disputes with Beijing. Thus, Seoul has a much more complicated choice in how it supports the pivot, and that might explain why it's been more balanced than Australia and Japan in its political rhetoric towards the US and China.

Since the announcement of the rebalance, South Korea hasn't made a grand gesture of support akin to Australia's hosting of US Marines or Japan's expanded military role. However, it does host thousands of US troops and has reinforced its alliance with the US more broadly. In January 2014, Seoul increased its financial contribution to hosting American forces (a cost it has shared with the US since 1991); in February, it accepted another battalion of US troops; in March, it participated in the largest ever combined US-Korean marine exercise. In addition, President Park Geun-hye has supported the rebalance diplomatically by saying that 'the Korea-US alliance ... could reinforce President Obama's strategy of rebalancing toward the Asia-Pacific'.<sup>16</sup> Given South Korea's concern about offending China, this should be considered a reasonably firm statement of support.

Overall, US allies, though willing to support the rebalance, have done so within their own unique contexts. Any further support will be similarly contingent on individual circumstances.

## New expectations of American allies

Although the US has been publicly quiet on how it would like allies to support the rebalance, American officials and analysts privately articulate some clear views on additional contributions in four categories: military, economic, diplomatic–political and regional order-building.

### Japan

The most commonly cited and vital contribution Japan could make is economic, by agreeing to the Trans-Pacific Partnership (TPP). Through the partnership, the US is attempting to create a comprehensive regional free trade agreement that would accelerate global growth and create jobs.<sup>17</sup> The 12 countries currently negotiating the pact represent 40% of the global economy, and the US and Japan account for around three-quarters of the group's economic heft. Negotiations have stalled, partly because of Abe's protection of Japan's agricultural and automotive sectors. One US analyst has said, 'Abe needs to make the tough decisions and upset some farmers ... the TPP is a significant political and strategic framework ... Japan can't water it down.'<sup>18</sup> Should Japan agree to the TPP, the view in Washington is that the rebalance would be substantially reinforced. Concluding the TPP would allow the US and other liberal economies to help shape the rules of the international trading system for the future and, to quote a US Government adviser, 'change the balance in Asia', which would in turn strengthen regional confidence in US leadership.

The second most common request was for Japan to again become an engine for economic growth and continue the process of Asian integration. For Japan to re-emerge as an economic powerhouse, Abe must implement his so-called 'third arrow' of 'Abenomics'<sup>19</sup>: structural reform. While the first and second arrows of Abenomics—monetary easing and fiscal stimulus—have been pursued vigorously, the more difficult task of economic reform has yet to be tackled properly. Many in Washington believe that Japan will re-emerge as a regional and global leader and be able to promote shared values and interests once its economy lifts. The thinking is that it will make more of a military contribution to the rebalance by spending more on its defence. There's some frustration in Washington over the perceived low level of Japanese defence spending. Although Tokyo plans to increase defence spending over the next five years, the projected amount will still equal only 1% of GDP. Japan's history of capping defence spending at 1% of GDP concerns some in Washington who feel that it's been free-riding on high American spending.

On the question of Japan's potential military contribution to the rebalance, US experts split almost evenly into two camps: one (mainly officials) believes that Japan has been moving far too slowly in expanding the role of its defence forces and military capabilities; the other (mainly think-tank experts) believes that Japan is now moving too quickly and undermining regional stability in the process, producing more security trade-offs than benefits. Overall, Americans vigorously support Japan's move towards a more normal military, but some are concerned about the context in which Abe is pursuing these changes. Abe's visit to the Yasukuni shrine in 2013 and inflammatory comments by some of his senior ministers have hampered efforts to build support for a more active and capable JSDF and larger regional role for Japan.

Aside from the context in which Abe is attempting to increase the role of the JSDF, there's widespread support for Japan to:

- further integrate its ballistic missile defence with that of the US
- cooperate with the US and US allies on antisubmarine warfare, air combat patrol and minesweeping
- make more of its military technology available to other countries through exports
- share more SIGINT (signals intelligence) on North Korea with South Korea
- make better strategic use of its official development assistance (ODA), such as by funding infrastructure projects in countries that support US military cooperation.<sup>20</sup>

On the diplomatic–political front, the US would like Japan to refrain from acts that could be seen as provocative by the region and to improve its relations with South Korea. Unresolved historical issues between Tokyo and Seoul are seen as a major constraining

factor for the rebalance, and one US official has said that ‘every day [Japan and South Korea] talk about the past is a lost day.’<sup>21</sup> Americans believe that better bilateral relations between the two would allow them to address mutual security challenges more effectively and increase the possibilities for allied cooperation.

In regional order building, the US would like Japan to increase its ties with ASEAN (Malaysia and Indonesia in particular), further deepen its economic and political engagement with Southeast Asia and better coordinate its aid delivery with the US in regions such as Southeast Asia.

### Australia

Overwhelmingly, Americans say that Australia could make a major political contribution by being ‘a voice for the region’. Many think that Canberra is neglecting its leadership ability by failing to speak out more on regional issues; one US analyst called Australia ‘scared of its own shadow’. We’re seen as having a unique opportunity to use our political and diplomatic capital to help shape rules of behaviour and establish norms, particularly in territorial disputes in the South China Sea.

According to American analysts, Australia should be more ‘diplomatically forthcoming’ on the South China Sea and promote adherence to norms and a code of conduct. Specifically, this meant publicly supporting the Philippines’ move to international arbitration in its dispute with China, as the US has done. One US analyst went so far as to say that ‘Australia should come out and say that [China’s] 9-dash line has no standing in international law.’<sup>22</sup> We’re seen as being one of many voices in Asia that could potentially influence China to cease its aggressive tactics and testing of US primacy. Should Australia speak out more strongly and encourage other countries to follow suit, some US analysts believe that China would begin to acknowledge the rising opposition to its aggressive manoeuvres and accept that such opinions originate from the region, not from the US.

After supporting the rebalance through diplomatic–political means, the next way Australia could add value is militarily. In particular, US analysts would like Australia to:

- increase interoperability and defence exercises with the US and its other allies
- improve strategic planning with the US
- raise defence spending
- upgrade our bases and enhance port access to host more US forces
- improve maritime domain awareness and surveillance
- play a niche role in command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR), including by investing in high-grade cyber and information warfare capabilities for defensive and offensive purposes.

We could make a difference in regional order-building through supporting multilateral forums and helping to guide regional strategic dynamics. Americans believe that we could ‘give backbone’ to regional forums such as the ASEAN Defence Ministerial Meeting Plus and defuse emerging strategic competition between the US and China. Some see us as uniquely placed to foster US–China cooperation in regional institutions and to establish new forms of defence cooperation between them. One specific suggestion is that Canberra invite both to participate in trilateral security dialogues and exercises in Australia.

### South Korea

Expectations of South Korea to support the rebalance are markedly lower than for Australia and Japan. Rather than supporting the rebalance directly, Seoul’s expected to effectively deter North Korean aggression and avoid unnecessary confrontation with Japan. In short, the US wants South Korea to ‘hold’.

Should Seoul decide to make a bigger direct contribution to the rebalance, it could do so in the military sphere. In particular, the US would like South Korea to develop a sophisticated ballistic missile defence system that integrates ground- and sea-based systems, and to increase ballistic missile defence interoperability with the US and Japan. Other requests of Seoul are to:

- improve interoperability with the US and US allies
- increase defence engagement with Japan, Australia and India
- share more HUMINT (human intelligence) on North Korea with Japan
- enhance intelligence, surveillance and reconnaissance
- increase maritime surveillance and search and rescue capabilities.

A further contribution could be made in the diplomatic–political sphere by improving bilateral relations with Japan. Seoul should conclude military agreements with Tokyo and be more supportive of Japan’s attempts to expand the role of the JSDF. South Korea could also develop closer economic and diplomatic ties with other countries in the region.

Put simply, US analysts would like all three countries to develop stronger security webs, speak with one voice on regional issues, be ‘out in front of the US’ (including in responding to humanitarian disasters) and build regional forums, including the ASEAN Defence Ministerial Meeting Plus and the East Asia Summit. The feeling was summed up by a Pentagon official who said, ‘We need shared approaches to common problems and more effective use of our collective resources.’ However, an inherent problem is that US allies in Asia see regional problems through their own lenses, and some propose different solutions from Washington’s, making shared approaches more difficult to achieve—particularly when the US has failed to articulate an overarching strategy for allies. Such a strategy would be a significant departure from the current hub-and-spokes model, but a unified network of allies appears to be the US’s preferred strategy, although that’s not stated explicitly.

### Australia’s national interests and ability

It’s clear that Americans have firm ideas about how key allies can further support the rebalance. Australia needs a more nuanced understanding of US expectations of our partners—Japan and South Korea—to correctly perceive trends and shape our strategic planning. Even more importantly, we need to analyse whether what the US wants us to do is in our national interests and within our ability to deliver.

Australia’s core national interest is to maintain regional stability to increase our economic growth and prosperity. This includes upholding the US-led order, which has underpinned regional stability for decades and provided the conditions for economic development. Our interests also include having regional disputes settled peacefully (preferably in accordance with international law) and ensuring that sea lines of communication remain open so that trade can continue unimpeded. Many of our national interests are congruent with the main goals of the rebalance: to reinforce the American-led order, instil liberal-democratic and free-market principles and values, and reassure allies. And our alliance with the US is interwoven with the rebalance: support for the rebalance strengthens the alliance; lack of support weakens it. While we’ve already supported the policy through hosting US Marines in Darwin and in a number of other areas, the US would like us to do more.

There’s been much debate about whether Australia should bolster its alliance with the US to show solidarity in the face of a more assertive China or develop a more independent defence posture to provide for greater flexibility in our strategic decisions and reduce tensions with China. This question elicits a well-rehearsed line that we must choose between security (our alliance with the US) and prosperity (our economic ties with China).

While greater self-reliance would multiply our strategic options and potentially avoid intensifying US–China rivalry, that misses an important reality: China sees indecision or accommodation on the part of US allies as an opportunity to further its national

interests. China's preference for handling disputes bilaterally rather than through independent arbitration suggests that Beijing believes it can secure more of its interests by coercing less powerful countries than through international legal processes.

Taking into account the values we continue to share with the US, the limits on what we can achieve on our own compared to what we can do in the US alliance, and China's current course, the option most in our interests is to deepen our alliance and continue supporting the rebalance.

### **Our diplomatic–political contribution: being a voice**

With the factors outlined above in mind, Australia should speak out more on regional issues, including on issues arising in the South China Sea. While Canberra has said that it wants territorial disputes resolved in accordance with international law and has supported a code of conduct<sup>23</sup>, it should go further and express support for the Philippines' move to international arbitration in its dispute with China. While some would see this as risking our relationship with China for uncertain gain, the risk to Australia is small, as China has limited ability to inflict economic punishment that wouldn't also hurt itself.<sup>24</sup> In addition, if naval or coastguard vessels of any country engage in aggressive manoeuvres, Australia should issue swift and strong statements denouncing those acts and privately encourage others to follow suit. However, Canberra should take a consistent approach of saying that China's 'nine-dash line' claims should be resolved through international law and arbitration.

As part of Australia's general political contribution, voicing support for US engagement in Asia is a relatively cheap means of strengthening our alliance with the US. In Washington, there's great appreciation of and respect for Australia's military contribution to the war in Afghanistan, which has brought out the old adage about Australia 'punching above its weight'. In fact, we contributed a relatively small force to that conflict, but the vocal way we backed the war and our willingness to take on combat roles created the perception that we were carrying a larger burden.

While some American analysts concede that China will be influenced more by internal than by external factors, many feel that Beijing could be pressured to conform if Australia leads the charge in speaking out against its aggressive tactics in the South China and East China seas. That view slightly overestimates Australia's sway over the region. Some countries (particularly in Southeast Asia) still see Australia as a 'deputy sheriff' to the US and might be happy to allow us to speak out on our own, rather than following suit. Although we might have less influence than US analysts believe, that doesn't mean we should refrain from speaking out. Canberra should still raise its voice in regional affairs, as we need to look more decisive and remind Beijing of our continuing support for US leadership. If this prompts other countries to follow suit, that would be a bonus.

### **Our military contribution: loving the alliance, again**

In the military sphere, the US wants us to increase the ADF's interoperability with American forces, cooperate more with US allies, spend more on defence, upgrade bases and ports, increase maritime awareness and invest in C4ISR, all of which are broadly in our interests and within our ability.

When we examine our interests, the big question that emerges is 'More alliance or self-reliance?' As discussed above, it's in our interests to deepen the US alliance. Of possible measures examined here, upgrading our military facilities to enable greater American access would be likely to have the greatest effects, both positive and negative.

Sharing our facilities with the US would convey a message of deeper commitment to American military objectives and potentially send a louder (and more provocative) signal to China. In addition, having more US assets on Australian soil would change the nature of our alliance and mean that, should a conflict break out, there would be an additional aspect to Australia's involvement.

Although it's not Australia's intention to send a more provocative signal to China or face less of a choice in a conflict, giving the US better access to Australian bases would strengthen our alliance, draw the US further into the region, and potentially reassure countries in Southeast Asia through a heightened American presence. Although we'd be more closely tied to the US militarily, the US would also be more tied to us—meaning that we could expect ongoing American defence cooperation, information sharing and

support. It's also possible that we'd have greater influence over US actions in the region. As one US analyst asserted, this would 'give Australia more of a vote in what the US does'.

The implications of failing to upgrade some of our bases (RAAF Darwin, Tindal, HMAS Stirling and Robertson) for American use are uncertain. If we took the other actions that the US wants, it's possible that the alliance would continue to strengthen; however, without providing enhanced access for American forces, we'd be missing a key opportunity to deepen US engagement in the region and strengthen the American-led order. If we're already committed to increasing defence cooperation with the US in other areas, taking the additional step of hosting more US forces would bring more benefits. In short, the benefits of committing to all of the US's military requests outweigh those of alternative courses of action.

In weighing new military contributions, we must consider the financial and political costs. The Coalition government has determined (based on the NATO average) that allocating 2% of GDP to defence is appropriate.<sup>25</sup> Given that intention to substantially increase defence spending in the coming years, we could use the increase to make progress in many of areas listed above.

Whether it's politically feasible is a trickier question. Upgrading our bases to host more US forces is perhaps the most sensitive issue. On one hand, upgrades are likely to be welcomed by local communities, which would benefit economically. On the other, US forces could behave badly and create resentment and local political problems, as they have in Japan and South Korea. There's also the potential for public opposition to hosting some US defence assets, such as nuclear-powered or nuclear-armed ships, at HMAS Stirling or refuelling drones on the Cocos Islands—both steps could be controversial. However, there's still overwhelming public support for the Australia–US alliance (currently at 78%<sup>26</sup>). Given that support, a small increase in public opposition wouldn't prevent the Australian Government from acting. Therefore, Australia's both financially and politically able to deliver.

### **Our regional order-building contribution: some limitations, some potential**

The suggestion that Australia 'give backbone' to multilateral frameworks corresponds with our interest in enhancing regional cooperation but would need to be pursued carefully. Depending on the agendas Canberra promotes, it risks creating the perception that we're marshalling Southeast Asian countries to further US interests. In those circumstances, if we uphold our own interests and priorities and openly disagree with the US on various issues, deeper engagement with multilateral forums could carry benefits. Certainly, Australia would like to promote more effective multilateral institutions in Asia.

Lately, Australia has paid much attention to and shown considerable leadership in international organisations such as the UN (particularly in the aftermath of the Malaysia Airlines MH17 and MH370 disasters), but enthusiasm for driving Australian agendas in regional forums outside the East Asia Summit is low. For example, ASEAN is still seen more as an impediment to developing consensus and action on regional security issues than as a mechanism for progress. In addition, the Coalition government has previously stated a preference for bilateralism over multilateralism, believing that it can achieve more by working that way. International contributions aside, this seems to be the case in Australia's interactions in the Asia–Pacific, so we mightn't see Australia making progress in this area under the current government.

Building security webs with other US allies is likely to be the most effective way to protect Australia's interests if we simultaneously pursue cooperation with China. Strengthening links only between US allies would convince China that a coalition against it is being mustered, which would be counter to our interests. Although we seek to maintain the status quo in the region, it's also in our interests to encourage China to work within the existing system. China might still see enhanced cooperation between US allies negatively, but inviting it to join some activities should alleviate some of those concerns.

Australia has the ability to strengthen some of its ties with US allies and partners in Asia and has been doing so (or attempting to do so) in the case of Japan, South Korea, the Philippines and India. However, there are real limitations on how much we can enhance our cooperation with those and other countries. In some cases, there's no incentive for US allies or partners to work more closely with us on defence; in others, our militaries' capacity to cooperate is constrained. Given those limitations (some of which



are out of our control), in all likelihood Australia will strengthen its links with US allies in a non-uniform and ad hoc fashion in the coming years.

The other suggestion—that Australia facilitate cooperation between the US and China in order to reduce regional tensions—is very much in our interests and, at times, within our ability. In October 2014, Australia successfully hosted the US and China for defence and survival exercises in our north. This was the first trilateral security activity between the three. It was a positive development and possibly the beginning of increased trust and understanding between the major powers and Australia.

## Summary

The US's rebalance to reinforce US leadership in the region, reassure allies and encourage the region to take more responsibility for its own security requires not only the sustained attention and resources of the US but greater support from American allies. Many have given political backing to the policy, and some have provided concrete support, but more is needed to strengthen the initiative and keep the US engaged in a period of fiscal austerity and competing global security priorities.

By announcing the pivot in Australia, the US made a very strong statement of confidence in us as a robust ally. Canberra responded by making contributions in a number of areas, although those contributions fell short of American expectations. In the light of constraints on the US, Australia's increasing influence in the region and globally, and a tenuous regional strategic environment, Canberra should seriously consider increasing support for the rebalance in the areas outlined in this analysis.

What the US wants from us broadly accords with our national interests, and much of it is within our ability to deliver. We have the power and the resources to do more. It's now up to the Coalition government to deepen its support of the rebalance and simultaneously advertise its reasons for doing so to the public and the wider region.

## Notes

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- 19 Japan's declining GDP and chronic inflation during its 'lost decade' from 1991 to 2000, coupled with low growth from 2000 to 2010, prompted Abe to develop stringent economic reforms.
- 20 Japan has been active in its strategic use of ODA, which perhaps reflects a lag in US understanding of Tokyo's development assistance in Southeast Asia. It may also reflect a divergence between what Japan and the US want to achieve from Japan's ODA; in some cases, Tokyo uses it to repair relations damaged by memories of World War II, while Washington wants it to be used to further American basing requirements.
- 21 Interview with Pentagon official, May 2014.
- 22 As Assistant Secretary, Bureau of East Asian and Pacific Affairs, Danny Russell said, 'Any use of the "nine dash line" by China to claim maritime rights not based on claimed land features would be inconsistent with international law' and called on China to 'adjust its nine-dash line claim to bring it in accordance with the international law of the sea'. See <http://www.state.gov/p/eap/rls/rm/2014/02/221293.htm>.
- 23 Tony Abbott, Barack Obama, 'Obama and Abbott: The US and Australia make common cause in the Pacific', *LA Times*, 12 June 2014, [www.latimes.com/opinion/op-ed/la-oe-obama-australia-pacific-20140613-story.html](http://www.latimes.com/opinion/op-ed/la-oe-obama-australia-pacific-20140613-story.html).
- 24 Mark Thomson, 'We don't have to choose between the US and China', *ASPI Strategist*, 2013, [www.aspistrategist.org.au/we-dont-have-to-choose-between-the-us-and-china/](http://www.aspistrategist.org.au/we-dont-have-to-choose-between-the-us-and-china/).
- 25 Quote by Minister for Defence, David Johnson, at the ASPI Great Defence Debate, August 2013, [www.youtube.com/watch?v=GSr-VYH2ilw](http://www.youtube.com/watch?v=GSr-VYH2ilw).
- 26 Alex Oliver, *The Lowy Institute Poll 2014*, 2014, [www.loyyinstitute.org/files/2014\\_lowy\\_institute\\_poll.pdf](http://www.loyyinstitute.org/files/2014_lowy_institute_poll.pdf).

## Acronyms and abbreviations

ADF	Australian Defence Force
ASEAN	Association of Southeast Asian Nations
C4ISR	command, control, communications, computers, intelligence, surveillance and reconnaissance
GDP	gross domestic product
JSDF	Japan Self-Defense Forces
NATO	North Atlantic Treaty Organization
ODA	official development assistance
TPP	Trans-Pacific Partnership

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