

**U.S.-Japan-Australia Strategic Dialogue**  
**April 6-8, 2009**  
**Honolulu, HI**

Introduction

To examine the leadership roles the United States, Japan and Australia can assume in defining the future contours of an open, inclusive and peaceful Asia-Pacific region, the Center for Strategic and International Studies (CSIS), with the support of the Japan Foundation Center for Global Partnership (CGP), organized a trilateral strategic dialogue in Honolulu, Hawaii. Co-chaired by Michael Green of CSIS and Georgetown University, Kazuya Sakamoto of Osaka University, and Andrew Shearer of the Lowy Institute for International Policy, this track-two discussion sought to identify common approaches to regional and global challenges based on the shared values and interests of the three countries. The participants focused on the global economic crisis, international security challenges, and institutional architecture in Asia. The following synopsis reflects core themes identified by CSIS and does not necessarily represent the views of all participants or their respective institutions.

The Economic Crisis

The participants shared perspectives on the global economic crisis and the prospects for recovery in the near- to mid-term. Specific recommendations were that:

- Global economic architecture should better reflect the increased importance of Asian economies, while the United States, Japan and Australia must work to ensure close coordination and a continued focus on the norms we share as democracies even as the institutional architecture expands.
- The G-20 has a central role to play in framing a consensus on global governance, which should then spur momentum for deeper financial integration in the Asia-Pacific region.
- All three nations share a responsibility to resist protectionist tendencies and promote high standards for trade liberalization, particularly in the agricultural sector. Concluding the Australia-Japan Economic Partnership Agreement would signify a strong commitment to these principles, as would bilateral consultations on a similar arrangement between Japan and the United States.
- Trade liberalization agreements through the Asia-Pacific Economic Cooperation (APEC) forum and Trans-Pacific Strategic Economic Partnership Agreement (TPP) should be advanced to achieve the longer-term goal of rules-based economic integration

in the region. The APEC calendar—with Singapore, Japan, and the United States scheduled to host summits over the next three years—augurs better for substantive initiatives.

- Sustainability issues including food security, water, energy, and climate change merit attention in the context of global economic recovery. Energy cooperation should be considered as a potential vehicle for regional integration.
- The policy responses to the global economic crisis also require emphasis on long-term growth. Dialogue on topics such as productivity, demography, immigration, and pension risk can strengthen relations between the three countries as a foundation for regional prosperity.

### Security Challenges

Participants addressed the security environment in the Asia-Pacific and the potential for increased trilateral security cooperation. Key themes were:

- Alliance relationships are instrumental in shaping common rules and norms as the underpinnings of peace and prosperity in the region. Australia and Japan should continue efforts to implement the strategic objectives of the 2007 Japan-Australia Joint Declaration on Security Cooperation, complementing their respective bilateral alliance relationships with the United States.
- The three countries should build on a record of maritime cooperation and stress the provision of public goods as a core competency, as was demonstrated in the 2004-2005 quadrilateral tsunami relief effort by the United States, Japan, Australia and India.
- Joint exercises to promote cooperation on regional and global challenges such as terrorism and nuclear proliferation should be encouraged, both to set a high standard for provision of public goods in the region and to challenge other navies to be more transparent. The multilateral Proliferation Security Initiative (PSI) should remain a focal point for all three nations.
- The three nations should develop a comprehensive approach to nuclear cooperation including nonproliferation, extended deterrence, energy, and disarmament.
- Australia and Japan can point to a successful partnership in Samawah, Iraq, as a basis for enhanced cooperation in post-conflict reconstruction efforts or peacekeeping operations in other settings.

- There is potential for the three countries to explore common efforts on missile defense, given the close history of U.S.-Japan development and fielding and Australia's decision to also move forward with missile defense capabilities.

### Regional Architecture

Participants were briefed on the February 2009 CSIS survey of elite strategic opinion in Asia on regionalism<sup>1</sup>, including key findings that:

- Sixty-five percent expect China to be more powerful in Asia in ten years, but China led the list of nations that were seen as a potential threat to regional peace and security while the United States led the list of countries seen as contributing to peace and security in the future.
- There is broad consensus on the importance of establishing an "East Asia Community," though views vary on membership. Seventy-four percent considered Australia's involvement important.
- When asked what such a community should address, respondents placed the strongest emphasis on confidence building, conflict prevention, and economic integration as institutional objectives.
- Despite general support for the concept of multilateralism, most respondents considered their own militaries or military alliances most effective in preventing attacks even in ten years.

The discussion of survey findings led to a fruitful exchange on the evolution of regional architecture including the following general consensus:

- The institutional environment will remain fluid with multilateral organizations, bilateral alliances, and ad-hoc groupings all working to define a regional order, but alliances remaining most crucial to regional stability.
- The United States, Japan and Australia should coordinate closely to ensure that regional forums continue to consolidate an open economic regionalism and be compatible with global norms. The three countries can look to Indonesia, the world's third largest democracy, as a partner in advancing these norms in the region.
- The global financial crisis has both heightened the importance of global organizations like the G-20, where Asian powers are well represented, and also renewed

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<sup>1</sup> *Strategic Views on Asian Regionalism*, February 2009, Center for Strategic and International Studies, Washington, D.C. [http://www.csis.org/media/csis/pubs/090217\\_gill\\_stratviews\\_web.pdf](http://www.csis.org/media/csis/pubs/090217_gill_stratviews_web.pdf).

a shared sense in East Asia—first evident in the Asian financial crisis—that regional economies are vulnerable to external financial shocks and could benefit from financial regionalism.

- The six-party framework, to the degree it creates patterns of cooperation among the major powers, can prove instructive in the debate over Northeast Asian security architecture, as can its apparent failure.

### Conclusion

The United States, Japan, and Australia can strengthen their collective leadership credentials by championing an economic recovery that is sustainable and integrative; improving governance of the global financial system; providing public goods for regional and global security; and ensuring an open and inclusive process of institution-building in the Asia-Pacific region. Though mindful of the constraints domestic politics could place on this ambitious agenda, participants were nonetheless confident about the prospects for trilateral cooperation in the years ahead.