FROM ESTRANGEMENT TO ENGAGEMENT?
JAPAN AND AUSTRALIA ON THE EDGE OF ASIA

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SUMMARY
Beyond the limited utilitarianism of their well-established trade relationship, Japan and Australia face oddly similar problems in their relations with neighboring states in the Asia-Pacific region. In this over-view paper we attempt four things:

• First, we briefly sketch the estrangement experienced by both Japan and Australia in relation to East and Southeast Asia.

• Secondly, we sketch a comparative historical sociology, to throw some light on the shared (or similar) lonelineses of the two countries in their geo-political regions.

• Thirdly, we consider the role of China in shaping the future of Japan and Australia’s relationship with East and Southeast Asia.

• Fourthly, we review the American alliance as it affects the two countries and their bi-lateral relationship.

We conclude that, by staying mired in the economic instrumentalism of the relationship (by treating it primarily - or even exclusively - as a commercial or trade relationship), both countries are missing out on opportunities to move on from their present estrangement from Asia to more multidimensional engagements in the region that would be of benefit to both countries and to the whole of East and Southeast Asia.
I. INTRODUCTION
One of the post-Pacific War triumphs of realist diplomacy has been the development of the Australia-Japan trade relationship. As Professor Garnaut notes:

Most Australians are familiar with the changing places of Japan and Britain in Australia's export trade in the post-war period. Britain's share of our exports fell from 39 per cent in the first post-war turn of the decade, in 1949-50, to 3.5 per cent in 1989-90. Over the same period, the Japanese share rose from 3.9 per cent to 26.1 per cent.¹

Graeme Dobell clarifies the picture further:

Japan has been so important to Australia for so long as the number one export destination that there is a certain calmness in Tokyo-Canberra dealings. At one point, Japan supplied one dollar in every four of Australia's export income; now it is one dollar in five Australia earns overseas. Japan has been Australia's top market since 1966. At the end of the 1990s, Japan took 20 per cent of Australia's merchandise sales and supplied 13 per cent of Australia's imports. The value of sales to Japan was more than double that to the next largest market.²

The crucial roles played by the Menzies government's Trade Minister, Sir John McEwen, and his most senior bureaucrat, Sir John Crawford, in setting up the Australia-Japan trade relationship, should not be overlooked.³ From the Australian perspective, without doubt these two men

were the architects who laid the foundations of the whole remarkable achievement. The unwavering political pragmatism of McEwen was used to brilliant effect in the fertile policy imaginings of Crawford. Their achievement for Australia's overseas trade remains unmatched. In foreign policy terms it is probably only rivaled by the recognition of the People's Republic of China, at the end of 1972. And of course the benefits of the trade relationship have not been all one-sided. The resources Australia has supplied over the past forty years or so - e.g., iron ore, bauxite, uranium, coal, as well as wheat, beef, wool, milk manufactures - have been critical to Japan's post-war economic growth. As one commentator has put it: 'Australian coal and iron ore kick-started Japan's industrial-exports miracle'. As far as Japan is concerned, Australia has been a stable large-scale supplier of vital resources. Not unrelated to this is the fact that the Japanese have subsequently tolerated a substantial trade imbalance, in Australia's favor, over much of the post-war period.

The impressive results of the trade relationship were achieved despite lingering doubts in Australia about the morality and trustworthiness of Japan in the immediate aftermath of the Pacific War. Australia's role in the American-led defeat of the Japanese Imperial Forces, while small in absolute terms, was large in per capita terms and therefore, arguably, the country's most traumatic moment in its short history. 'Defeat of Japan in 1945', wrote Humphrey McQueen, 'did not end Australian fears of an armed assault out of Asia'. Until Communist China came along to inflame Australia's anti-Asian foreign and defence policy neuroses, as the Cold War progressed (if that is not an

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4 See the interesting (and admiring) references to Crawford in Garnaut, op cit. (supra, fn. 1).
7 Ibid.
8 H. McQueen, Japan to the Rescue, Melbourne: Heinemann, 1991, p. 51.
oxymoron), Japan was without doubt the major reason for these fears. For some people it is still. Despite this, money has shown yet again that it is more powerful and persuasive than anti-Japanese sentiments. Trade flourishes despite residual atavistic Australian misgivings.

Given the obvious facts of its success, as evidenced in the trade statistics, realists would tell us that we should not expect the relationship between the two countries to advance beyond the mutually cozy arrangement that it has become. To try to configure it otherwise would be to attempt conjuring a silk purse out of a sow’s ear (as the old adage would put it). As a simple and straightforward trade arrangement it is steady and easy to manage and commercially advantageous to both sides. It is also highly amenable to the avuncular styles of the Japanese businessmen, politicians and bureaucrats, and to the populist and laidback styles of Australian producers, politicians and public servants who have often been its midwives and handmaidens over the four decades or so of its development. It requires no great intellectual in-puts, no sophisticated or high cultural diplomacy. It is very much a business - as - usual style in which cultural diplomacy is awarded a low profile and where more serious matters are passed over quickly in order to concentrate on the commercial issues at stake. What more could you want? Professor Camilleri (while not necessarily arguing the realist case) has pointed to ‘the limitations of the partnership, in particular the cultural and political distance separating the two societies, Tokyo’s preoccupation with issues in Northeast Asian security as against Canberra’s focus on Southeast Asia, and the still lingering historical sensitivities associated with the Second World War’.9 If the trade works (as it so palpably does), stick with that. To be ambitious beyond this level is to invite failure - and, worse, ridicule.

A high-level bi-lateral conference in Sydney in 2001 rehearsed concerns that the relationship was falling into complacency. One wit even proposed that it had taken on certain of the features of a forty-year-old marriage - i.e., that it could be in need of some 'diplomatic viagra' to spice it up. (Which country is thought to be in need of the viagra was not spelt out.)

Strictly speaking, in relation to trade it is hard to see how the relationship could have other than a low profile on both sides, though it is a profile that remains well managed. But the challenge to the current conduct of the relationship emerges in the wake of globalization. In the rapidly globalizing world we now inhabit, many forms of regionalism are emerging. The most vigorous one at present is undoubtedly the European Union. An East Asian regional arrangement is a possibility. This regionalism is often in response to threats to economic - and to political and cultural - sovereignty. Within this framework of unfolding events, can any bi-lateral relationship remain untouched? Probably not. As Keohane and Nye point out:

The nation-state is being supplemented by other actors - private and third sector - in a more complex geography. The nation-state is the most important actor, but it is not the only important actor.  

Or as John Ruggie reminds us: 'A core and concrete feature of current international institutional arrangements is their multilateral form'.

To try to proceed in this new international climate as simple-minded or complacent bi-lateralists is clearly going to be counterproductive. In

10 For a report of the meeting, see Goodall, op. cit (supra, fn. 5). The second conference was held in Tokyo in November 2002. Its existence was not widely noticed in the Japanese media because of the gathering war clouds over Iraq and because it happened soon after the return of five of the Japanese abducted to North Korea nearly a quarter of a century ago.


regions like East and Southeast Asia, both of which are massively feeling (and sometimes reeling under) the impacts of on-going globalization pressures, it would constitute far more than simple-mindedness - it would be sheer madness. As Woosang Kim and In-Taek Hyun point out, there are numerous problems that will require regional, not bi-lateral, responses and solutions:

In the Asia-Pacific region, for example, territorial disputes remain one of the major issues of the day. The Senkaku or Daioyutai Islands dispute is still a source of tension between China and Japan, a number of states are involved in a variety of disputes in the South China Sea, the Tok-tu dispute separates Korea and Japan, and the dispute over the “Northern Territory” continues between Russia and Japan.\(^\text{13}\)

No state in this sort of regional scenario, least of all Japan, should be without many cross-cutting alliances. Yet that is where Japan sometimes finds itself. Its estrangement from Asia persists, to the great disadvantage of its national interest. And Australia is similarly shackled and inhibited by its often shallow alliances in the region. While it may seem odd to preach an improved bi-lateralism between Japan and Australia - given our comments against simple-minded bi-lateralism above - we are in effect seeking to draw attention to the fact that Australia and Japan are similarly placed in their regions - they are estranged from them.

It is this shared estrangement from Asia to which we first turn.

2. ESTRANGEMENT FROM ASIA

2.1 JAPAN
Japanese alienation from Asia has long been noted and remains a lingering scar on Japan’s on-going diplomacy in the region. Even during the Meiji Era, Japan’s ‘modernization’ was more a process of copying economic and technological structures rather than absorbing the so-called secularism and rationalism that provide the determining cultural components of what is loosely referred to as ‘Western modernity’. Nor was the post-Meiji Era a whole-scale opening up to Asia. Indeed, in the late 1920s and 1930s, Japan adopted an imperial mentality towards Asia (aping Western powers already there). World War II exacerbated Japan’s alienation from Asia. Asian societies and economies (especially Korea and China) were pressed - sometimes ruthlessly - into the war strategies of the Japanese government, resulting in widespread suffering. That this history remains a blight on Japan’s legacy in the region is now undeniable. Since the Second World War, Japanese governments have steadfastly refused to apologize for this negative period in its ties with countries like Korea and China (though expressions of regret - mostly perceived as inadequate - have been proffered at various politic moments), needlessly provoking tensions in its relations with East and Southeast Asia generally. While this counterproductive diplomacy persists, Japan’s reputation for hubris in the West and South Pacific will remain.

2.2 AUSTRALIA
Australia, too, has a history of self-inflicted alienation from Asia. From

the time of European settlement in 1788 an "anxiety" about Asia prompted Australians to exclude Asian settlers, while seeking to remain under first a British and then an American security umbrella.\textsuperscript{18} This anxiety was based on a toxic combination of colonial dependency (maintaining a "British" identity in a distant part of the British empire) and racist fears of a "Yellow Peril" - later a "Red Menace" - thought to be about to sweep out of China, through Southeast Asia, to engulf Anglo-Celtic Australians.\textsuperscript{19} The worst example of this racism was the so-called white Australia policy (1901-1973). The policy was repealed by the Whitlam government in 1973 - though it had been in abeyance since the mid-1950s.\textsuperscript{20} Since 1973 Australia has pursued a nondiscriminatory immigration policy that has seen large numbers of settlers arriving from Asia.\textsuperscript{21}

But in the minds of many Australians the country remains nostalgically linked to its dependency on Britain and America. While there have been attempts to ‘engage’ with Asia in recent years, they remain patchy and inconsistent - currently they are in retreat - even if there have been a few gains along the way.\textsuperscript{22} The rise of populist political organizations like One Nation (a right-wing political group reacting against globalization and Asian immigration) has been


watched ruefully by many potential friends in Asia.\textsuperscript{23} And today, as Professor Milner has noted, the Howard government seems more inclined to promote a ‘... comfortable and even complacent Australia, rather than a tenacious, resourceful and Asia-sophisticated community’, one that would ‘engage’ with multiple Asias rather than retreat from it - the latter course appearing the preferred course of the current federal government.\textsuperscript{24}

Similarities - at sociological and strategic levels - in Japan and Australia’s ‘loneliness’ are interesting. As Peter Robinson has noted: ‘Both countries share a psychological sense of isolation - Australia from its distant European roots and Japan from its self-chosen withdrawal from the world for most of its existence’.\textsuperscript{25} A case needs to be therefore made on these grounds for imagining a far more adventurous bilateralism - one that goes beyond the shallow instrumentalism that presently consigns the relationship to a lazy complacency. This bilateralism needs to have Asia as its focus, to move both states from their contemporary estrangement from the region to comprehensive engagement in the Asia-Pacific. It is curious and disappointing that this bilateralism hasn’t developed long before now - as it might have if the tragi-comic maneuverings surrounding the multifunction polis (MFP) had been treated with greater seriousness on both sides.\textsuperscript{26} We need to explore the sociological and cultural dimensions of the shared

\textsuperscript{23} M. Leach et al. (eds.), \textit{The Rise and Fall of One Nation}, Brisbane: UQP, 2000.
\textsuperscript{26} For a negative account of the MFP, see G. McCormack, ‘Bubble and Swamp: MFP and the Australia-Japan Encounter’, in A. Milner and M. Quilty (eds.), \textit{Episodes: Australia in Asia}, Melbourne: OUP, 1998. There has yet to be a positive account written about the at-times-visionary MFP idea. A positive account is badly needed before a balanced understanding of the issue can be achieved.
loneliness in Asia in order to see if further elements of a deeper relationship are identifiable.

3. COMPARING CULTURES
The estrangement from Asia that Australia and Japan share is overlaid with other similarities that a comparative sociology of the two countries can throw into useful relief. These similarities are also shared, in various ways and in varying degrees, with other states and cultures, not only in Asia. For example, Japan has sometimes been called the ‘Great Britain of Asia’, and Britain the ‘Japan of Europe’, because of their similar archipelago status off their respective continents, and because of their historical aloofness and sometimes their belligerence towards states and cultures on their respective continents. Based on these geo-political considerations, a comparative cultural analysis of Japan and Great Britain can be illuminating to a limited extent. Australia’s ‘Western’ foundational institutions make it comparable in certain ways to the United States and to Great Britain (e.g., its federal system of representative democracy and its ‘Westminster’ form of cabinet government).

However, because of their respective geo-political locations in the Western Pacific, the similarities shared by Japan and Australia take on a special significance. In some of the speculations about this the two states are sometimes referred to as the ‘north and south poles’ of Western Pacific regionalism. An equally provocative metaphor would see them as the north and south ‘anchors’ of the Asia-Pacific region. These metaphors highlight the fact that they are at various times a ‘junction’ between Asia and non-Asia (or, for want of a better term, the ‘West’). There are very real dangers and pitfalls in asserting (or arrogating) this ‘mediating’ or ‘bridge-building’ role. Other significant

Asian entities like Taiwan or states like the Philippines can make similar claims, sometimes more credibly. At the same time all Asian states have functioning bi-lateral and multilateral arrangements that they have initiated and maintain themselves, without requiring the assistance of external influences, in dealing with each other and with the rest of the world - e.g., the Asia-Europe Summits which include Japan but exclude Australia.

Nonetheless, in addition to existing bi-lateral and multilateral arrangements operating between Asia and the rest of the globe, Japan is arguably one of the most ‘Westernized’ of the Asian countries and Australia is the most ‘Asianized’ of the non-Asian countries in the world. These propositions should not be ignored in seeking to promote Asian interests in a globalizing world in which ‘predatory globalization’ is on the prowl, coming mainly from the USA and Western Europe. The fact that Australia and Japan are also close trading partners intensifies this significance. A more creative bi-lateral engagement between the two states could suggest a range of fresh strategies in dealing with globalization positively - to promote ‘globalization from below’ and to resist ‘predatory globalization’. In particular, for Australia and Japan, it holds out the promise of a more secure engagement with Asian states from whom they are still, in many important respects, estranged - e.g., from China and Korea in Japan’s case, from Indonesia and Malaysia in Australia’s case.

So let us briefly consider what these extra-geo-political similarities might mean in terms of a comparative cultural sociology. At the outset, we note that the comparative historical sociologies of the two countries contain some salutary lessons.

3.1 Colonialism
Both cultures have had to cope with the exigencies of colonization -
both as colonizers and as colonies. Australia's foundation as a British penal colony continues to influence its culture today. Its role as colonizer in what is now the independent state of Papua New Guinea can be seen as a major influence in the structuring of the contemporary governance weaknesses and threatened social, economic, and political breakdown in that unfortunate country. Japan's colonialism in Korea, Manchuria and China has left an indelible stain on those countries' contemporary developments. And Japan's very intense experience of 'colonization' during the Occupation has ineluctably marked its present constitutional and political arrangements.  

3.2 Native Peoples

Both countries have histories of colonizing and suppressing their native peoples. In Japan this refers to the Ainu.  

To this we could add the Ryukyuans in Okinawa. In Australia it refers to the Aboriginal and Torres Strait Islander peoples. In each case this colonization and suppression have involved the dispossession of native peoples from their traditional lands; sometimes they were deliberately killed. And mostly it has entailed the destruction of their cultures. It has resulted in their descendants' marginalization and devaluing (the 'misrecognition') via ideologies of racism and regimes of cruel and inhuman administration. In Australia the so-called 'stolen generations' (part-Aboriginal children who were forcibly removed from their...

28 See, for example, Takemae, op. cit. (supra, fn. 6); R. Moore and D. Robinson, Partners for Democracy: Crafting the New Japanese State Under MacArthur, Oxford: OUP, 2002.


Neither Australia or Japan has formally recognized the extent and brutality in its maltreatment of its native peoples. A refusal to do so has become a culturally embedded attitude in both cultures, arguably at deeply populist levels. This is reflected in the Japanese government’s refusal to confront its record of inhumanity in World War II (e.g., the Rape of Nanjing, the treatment of comfort women, or the appalling ‘experiments’ of the notorious ‘Unit 731’ in China).\footnote{For a chilling and yet ethically admirable account of ‘Unit 731’, see Takemae Eiji, op cit. For a similarly astute account of the ‘comfort women’ issue see E. Barkan, The Guilt of Nations, ch. 3 New York: Norton, 2000 (‘Sex Slaves: Comfort Women and Japanese Guilt’).} And it is reflected in the Ministry of Education, Science and Technology’s persistence in certifying textbooks that fail to address this distressing history accurately, or obscure it altogether.

3.3 Nationalism
The history of nationalism in Japan and Australia provides sharply clear evidence of the veracity of Professor Benedict Anderson’s thesis about ‘imagined communities’ being the basis of nationalism in Asia.\footnote{B. Anderson, Imagined Communities: Reflections on the Origins and Spread of Nationalism, London: Verso, 1983; B. Anderson, Language and Power: Exploring Political Cultures in Indonesia, Ithaca: Cornell UP, 1990. See also C. Geertz, The Interpretation of Cultures, New York: Basic Books, 1973.} Imagined communities are the mix of cultural signs, ethnicities and identities that can be woven together, by elites and their collaborators (not all of them consciously so), into powerful nationalist political movements that lend meaning and legitimacy to all sorts of political
struggles, including revolutionary movements and the militarization of whole societies or significant segments of them.

3.3.1 Australian Nationalism
In Australia this 'imagining' of nationalism and national identity has been a continual preoccupation of historians and writers from at least the beginning of the twentieth century (though it has roots in the depiction of 'currency lads and lasses' in the early nineteenth century). Major symbolic moments that are highlighted in the imagining of Australian nationalism include the conduct of ANZAC troops at Gallipoli in World War I (which was a bloody rout, yet also a moment of incredible bravery on the part of many young Australian soldiers), and Australian involvement in the two World Wars in the twentieth century. Inextricably entwined with this are some well-loved 'national' myths, including a commitment to egalitarianism and a concomitant resentment of authority and hierarchy, the ideals of 'mateship' (unconditional loyalty to friends), and the notion that Australians are essentially rural, or 'bush', people with resources and skills that permit them to survive and prosper in an often harsh environment (e.g., bush fires, droughts, floods).\(^{34}\)

All of this is often said to add up to a 'temper democratic' as the overriding feature of Australia's self-imagining.\(^{35}\) But this claim overlooks the fundamental populism at the heart of Australian nationalism. For example, mateship is a deeply sexist experience. Men are 'mates', rarely women. If women are acknowledged as 'mates' it is usually because of their abilities to compete with men at what are thought of as typically masculine achievements - e.g., prowess at riding

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horses, success at sports, adeptness at peculiarly ‘men’s work’ (e.g., farming). Furthermore, mateship is also often synonymous with racist attitudes directed against Aborigines and Asians (e.g., Chinese gold seekers in the 1850s). It involves strongly held beliefs about racial purity, as evidenced in the ‘white Australia policy’.

Moreover, these depictions of Australian identity bypass the militarism that is being celebrated within its populist imaginings. Most of these imaginings are derived from war - the Boer War at the end of the nineteenth century, the two World Wars, the Korean War, the Vietnam War, the Gulf War, and (very likely) the war in Iraq. In the post-World War II era this also reflects Australia’s participation in the virulent ideological politics - and occasional military engagements - of the Cold War, invariably in tune with what Australian governments think are (or were) American strategies, expectations, and understandings of that prolonged era of global tension.

This Australian self-imagining is well known in Asia where there is a tradition of resentment against the white Australia policy (especially in Japan). The rise of the populist and racist One Nation political organization in the last six years (mentioned earlier) is seen as evidence that, despite claims to the contrary, ‘white Australia’ is still a central motif of Australia’s imagined community. Racism remains a central component of Australian nationalism.

3.3.2 Japanese Nationalism

Japan's national identity has been subject to a great deal of theorising, particularly in recent years. We have no wish to add to the burgeoning 'nihonjinron' (theories alleging the uniqueness of the Japanese) that generally spreads as much confusion as it throws light on the subject of contemporary Japan.\(^39\) Brian McVeigh has listed a number of different usages in 'nihonjinron' literature and beyond of the concept of Japanese nationalism: state nationalism, racial nationalism, agrarian nationalism, economic nationalism, cultural nationalism, gendered nationalism, linguistic nationalism, techno-nationalism, and religious nationalism.\(^40\) Elsewhere he claims that in the post-war era, education has become a 'confluence of statist, ethnic, and racialist ideological currents'.\(^41\) He reminds us of Yoshino's observation: 'Racial, ethnic and national categories almost completely overlap in the Japanese perception of themselves'.\(^42\) The ultra-nationalism of the years leading up to the Pacific War, during the War, and appearing incipiently and inchoately ever since, suggests that the negative readings McVeigh and Yoshino offer of contemporary Japanese nationalism are valid. The negativism is perhaps seen, for example, in the determination of a number of LDP Prime Ministers, in recent years, to make controversial official, or semi-official, visits to the Yasukuni Shrine, honoring deceased Japanese Imperial soldiers (including convicted war criminals) who fought during the Pacific War. And it may be present in recent calls by official education advisors for curricula in schools that inculcate a love of country and a pride in being Japanese.

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\(^{40}\) B. McVeigh, 'Education Reform in Japan: Fixing Education or Fostering Economic Statism?' in J. Eades et al. (eds.), *Globalization and Social Change in Contemporary Japan*, Melbourne: Transpacific Press, 2000, p. 79. Professor McVeigh helpfully cites some writers against several of these forms of nationalism.


3.4 Anxious Nations

The nationalisms of Australia and Japan are underpinned by a form of collective anxiety in each culture that hints at deep insecurities, even a kind of cultural neurosis. These anxieties surface in the estrangement of the two countries from Asia that we have already mentioned. But they are also present in the way popular feelings in the two cultures suggest people are deeply troubled by cosmopolitan or complex social issues, structures and processes. People feel insecure rather than positively challenged (or inspired) in a rapidly globalizing and post-modernizing world. Fears of diversity (especially ethnic diversity and gender diversity) are always close to the surface in both cultures. Xenophobia is present in both, often in response to ‘foreigners’ or outsiders. Social and physical conformity (a desire for sameness) is highly valued and often expected in both societies: in Japan, the nail that sticks up is hammered down; in Australia the tall poppy is cut down. Racial stereotypes abound in both cultures. Both cultures foster a belief in the importance of their rural communities, extolling the simplicity and moral innocence said to be present outside the major metropolitan cities (that are popularly imagined to be hotbeds of sin, crime, danger and big business), reflecting the two cultures’ shared populism.

We acknowledge that this briefly sketched comparative sociology raises many questions and provides few if any answers. While regressive forms of colonialism and nationalism in both cultures produce many negative expressions and consequences, some of which contribute to both countries’ estrangement from Asia, they are not inexorable. Cultural critiques aided by cross-cultural research and public education programs can foster self-awareness in each culture about its own and the other’s shortcomings. These will be facilitated by comprehensive student exchanges and co-operative programs in the funding and appropriate support of schools and universities. At the core of these
efforts should be strong Australian Studies and Japanese Studies curricula providing the educational underpinnings of a sophisticated comparative sociology of Australia and Japan. But this sociology would need to take into account the two dominant international forces in East Asian and Southeast Asian international politics, one emerging, the other extant: China and the USA.

4. CHINA

China’s emergence as a potential superpower has been regarded as self-evident for quite some time. In 2002 the Australian government’s East Analytical Unit published a report that promises massive Chinese economic growth in the near future. The moral of this story is that international investors should be getting a base in this regime of growth. This up-beat account of China speaks of it as an emergent superpower. For example, Ross Gittens, a noted Australian commentator, asserts:

If you want to know the future, I can give it to you in one word: China. In our lifetime we’re witnessing the emergence of a new economic superpower to rival America: China. But unlike the power it’s in the process of eclipsing - Japan - China will also be a political superpower.

Even while recognizing the simplistic and journalistic hyperbole in this kind of reporting, many officials in Australia and Japan, in the United States, and in many parts of Europe and Asia, are of a like mind. This leads to a tendency to suggest that perhaps Japan’s days as East Asia’s

44 East Asian Analytical Unit, China Embraces the World Economy, Canberra: Department of Foreign Affairs and Trade, 2002.
economic powerhouse are numbered. On this reading, Japan’s trading partners and other would-be allies would be advised to ask themselves whether they should be turning their affections towards China. We suggest this is premature. The emerging China superpower scenario needs to be balanced against a ‘collapsing’ China scenario.

4.1 China-as-Superpower
The China-as-superpower scenario depicts a gigantic economy, powerful state, and vast military apparatus maturing into global engagement, initially through China’s membership of the WTO. It could even see the re-establishing of tributary-like relationships around its borders (e.g., with Mongolia, Korea, possibly a reduced Japan, Vietnam, Taiwan, Laos, Burma, Tibet). And we could expect to see China powerfully asserting its interests in the UN and other international forums. Such a state would entail a new balance of power in the western Pacific and in the world. Given its history, a Chinese superpower is likely to be particularly self-obsessed, making it quite a match for a unilateralist US. It would oblige US officials to negotiate on quite different terms than they do at present with their Chinese counterparts - the former may even be obliged to rehearse a regular pretence of humility.

A powerful China is unlikely to tolerate smaller states in its region cravenly aligning themselves with the US imperium and providing the Americans with communications bases and other military assistance - as well as strong ideological backing (including an inclination, bordering on the inane, to identify itself as a US ‘deputy’ in the region).46 Given that American bases in Australia and Japan are

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46 For Australia’s most recent arrogations of this role see the following reports: ‘Asia furious over Howard remarks on pre-emptive strikes’, *The Japan Times*, 2 December 2002; ‘Howard a bit too quick on the trigger, again’, *The Nation*, 3 December 2002; ‘Australia alienating the friends it needs’, *The Japan Times*, 6 December 2002. As the editorial in Bangkok’s *The Nation* notes:
already of concern to China, how much more irritating would they be if a super-China starts to feel threatened by the US? Australia and Japan each obviously becomes a pawn in this scenario - and arguably expendable ones for both the US and China.

To offset this negative side of the scenario is the possibility of increased trade with China - mainly in terms of Australian resource exports, like the recent liquid natural gas deal. And China provides investment and marketing possibilities for Japanese manufactured goods. This sounds great and in many ways it is. Certainly it is the dream of an emergent Chinese super-economy that most dazzles Australian and Japanese politicians and business leaders.

A super-China as counter-weight to the American 'lonely superpower' may bring a semblance of order into global politics. But it would be another doomsday international order fraught with Strangelove tensions, postponing the growth of less anarchical, more democratic, forms of global governance, and counterproductive even for China itself (as superpowerdom was counterproductive for the Soviet Union and is for the United States).47

4.2 The ‘Collapsing’ China Scenario
This scenario highlights the deep structural flaws in China’s economy as Deng Xiou Peng’s late 1970s reforms run into Jiang Xiamin’s determination to get China into the WTO. Deng thought that economic liberalism could be carefully managed within a communist state. He was right - but only on the assumption that the Chinese Communist Party (CCP) could change at the same time, shedding or radically

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revising its Maoist orthodoxies and opening up to the real globalizing world (a black cat is as good as a white cat so long as it catches the mice). But the CCP hasn’t evolved - it was born, and remains, a dinosaur. China’s state-owned enterprises (SEOs) soak up public money and bank credit at alarming rates, rendering many major Chinese banks technically insolvent. More than half of the SEOs are losing money calamitously. The banks funding them effectively are channels for state subsidies that buttress cronyism and uncompetitive industries in globalizing markets. Private savings in Chinese banks are in terrible peril - especially if a run on the banks starts. The CCP remains in command, but it is a tired old charade of a state apparatus, deeply into denial, increasingly reactionary, incompetent, stubborn and corrupt.

At the same time Chinese society is changing, becoming more unequal, more pluralistic and more difficult to control. Internet and other media information sources are giving the Chinese people new ideas, new expectations, and making them restless for greater prosperity and a different way of doing things. Political, regional, ethnic, religious and cultural fault-lines are cracking open across China. Tibet’s antipathy to Chinese domination and Taiwan’s truculence inflame the paranoia among the leadership, while encouraging other regions (especially in the western provinces where Islamic fundamentalism is festering) to ponder separatism and resist Chinese nationalist propaganda.

Severe social problems are emerging to challenge the state in ways it has no experience, resources or expertise to deal with. Unemployment is soaring, especially in western China, as SOEs go under or are privatized. The usual forms of social pathology - community disintegration, family breakdown, crime, violence, mental illness, alienation, racism - inevitably follow. Anarcho-capitalism, replete with corruption and organized crime, is gaining a grip on the special
economic zones in southeastern China. Outside the zones, growth has stalled. The associated evils of heroin and HIV/AIDS are spreading out of the southwest ‘golden triangle’ into the rest of China at terrifying rates.  

The magnitude of other problems is overwhelming. Environmental devastation is widespread throughout China - even Beijing is threatened by sand-dune encroachment. Water shortages are growing despite major dam projects that are creating even worse environmental problems than the ones they are meant to resolve. Industrial pollution is beyond the resources of the state to curb. In the meantime political oppositions are popping up all over China. Some, like the feisty Falun Gong movement, simply refuse to knuckle down despite brutal responses from the state. Some - in the Western provinces and in places like Tibet and Taiwan - are building up international networks in readiness for a showdown with the central government. The CCP leadership is floundering around for a third way in which it sees itself holding the show together by trying to construct liberal capitalism within socialist constraints. The idea is an attractive one, but is beyond even the likes of Tony Blair and Gerhard Schroeder. There is no evidence that the aging CCP leaders, or their younger deputies, have the intellectual capability and moral credibility to pull this off.

So which scenario is likely to become the reality in the next decade or so? Most experts are still cautiously weighing the odds and are not yet willing to jump either way.

Foolish or reckless operators are already piling their eggs into the


China-as-a-superpower basket.\textsuperscript{49} Even if China does remain united and is able to establish a firm foundation for economic growth, in the long run (and it will be a very long run), the Chinese cornucopia these gamblers fantasize about is likely to be more circumscribed than they appear to understand. We all need to remind ourselves that a super-China will be demanding all sorts of unpalatable \emph{quid pro quos} for future trade and other favors. This could include, for Australia and Japan, a requirement for serious detachment from the American alliance.

Wiser observers are configuring possible policy and strategic responses to a disintegrating China. Given the challenges facing the Chinese authorities and the rigidities of a moribund CCP, it is these observers who are more likely to be on the front.

5. \textsc{america}

With the collapse of the Soviet Union, early in the 1990s, the USA has emerged as the sole superpower in the world. Michael Hirsh writes of the ‘... vast disparity in power between the United States and the rest of the world.’\textsuperscript{50} Another commentator spells this out even more clearly:

In virtually every corner of the globe, American power and purpose are central to the preservation of peace. Even countries with the capability to challenge the American leadership, such as Germany and Japan, choose not to do so. Its cultural reach and material preponderance quite possibly endow the United States with greater influence over global affairs than any power in history has had.\textsuperscript{51}

In most recent American foreign policy terms, this has seen the rise of a

strongly unilateralist sentiment among top administration officials in Washington, especially in the White House. To quote Hirsh again:

While Bush talks of defending civilization, his administration seems almost uniformly to dismiss most of the civilities and practices that other nations would identify with a common civilization. Civilized people operate by consensus, whether it is a question of deciding on a restaurant or movie or on a common enemy. The yearly round of talks at institutions such as the G-7 group of major industrialized nations, NATO, or the World Trade Organization (WTO) are the social glue of global civilization [...] Bush, to judge by his actions, appears to believe in a kind of unilateral civilization, NATO gets short shrift, the United Nations is an afterthought, treaties are not considered binding, and the administration brazenly sponsors protectionist measures at home such as new steel tariffs and farm subsidies [...] To quash the International Criminal Court (ICC) [...] the administration threatened in June to withdraw all funds for UN peacekeeping.52

Both Japan and Australia are close allies of the United States. Therefore the kind of unilateralism that Michael Hirsh is complaining about - in our view, rightly - has far-reaching ramifications for both countries. The most obvious and immediate issue that this throws the spotlight on is Iraq. What will the US expect of its allies, Japan and Australia, among others, if it launches either a preemptive strike against Saddam Hussein or goes to war against him if UN weapons inspectors are blocked from carrying out their work by the Iraqi regime?

Already the Australian government has publicly stated that it would sympathetically consider a request from President Bush to join an

52 Hirsh, op. cit.
international military campaign against Saddam Hussein. This has been argued on many grounds, the main ones being that the US has persuasive evidence of Saddam Hussein’s stockpiling of weapons of mass destruction (WMD), and allegations (so far less persuasive) about his links to al Qa’ida and related terrorist groups. Yet there is some concern, at this point in the debate (December 2002), that a majority of Australians would be willing to support unilateral military action by the US. On 1 December 2002 there were large demonstrations in several Australian cities against Australia’s involvement in a predominantly American war against Iraq. The preference appears to be for a United Nations force to go in, should action be necessary. (This may of course change - perhaps quite dramatically - in the event of war breaking out, or if there are further terrorist attacks claiming Australian victims such as the October Bali bombings.)

Given the anti-war paragraph #9 in its Constitution, Japan has been pondering what to do in the event of a US-led war against Iraq. Clearly the US will demand strong support from its allies. Japan will not be able to quietly sit on its hands, offering only tepid moral support or even some logistical assistance.

The point about this Iraq example is that both Japan and Australia are on the horns of a dilemma. Both want the benefits that accrue from an alliance with the world’s lone superpower. But equally, both would like some degree of autonomy, to be able to accommodate or respond to domestic expectations and to feel that their sovereignties are not being compromised. Whether a war-focused US administration would be

53 There are other issues, too, that have been aired in this on-going discussion: e.g., President Bush Jr’s. alleged desire to ‘finish his father’s business’, whether it is in the national interest of the USA to gain control of Iraqi oil fields, whether Israel (as the US’s major ally in the Middle East) would benefit from the overthrow of Saddam Hussein and the strategic realignments that would follow in the region, whether America and its allies would benefit from a ‘regime change’ in Iraq.
prepared to grant either country this luxury is a moot point. Especially
given the kind of unilateralism demonstrated by President Bush,
described by Hirsh (above), it is likely that any attempts to appear
independent to a domestic constituency on the one hand and loyal to a
superpower ally on the other could be an exquisitely difficult posture
for either country to assume. In part all this will be influenced, too, by
China’s reaction to US unilateralism. Whether US diplomacy is able to
neutralize any Chinese resistance to an attack on Iraq is also hard to
predict. The issue becomes much more compelling, for security
considerations in the whole East and Southeast Asian region, if the
doubts we expressed above about China’s superpower emergence prove
to be unfounded. A big, self-regarding China will not be happy with two
smaller states well within its sphere of influence cooperating closely
with its major opponent in world politics.

But this all assumes continuity in US superpowerdom. Just as China’s
automatic rise to superpowerdom should be treated with caution, so we
need to query America’s capacity to maintain its ‘lonely superpower’
status. Paul Kennedy’s provocative thesis on the rise and fall of great
powers should not be simply dismissed in an international climate of
multi-polarity. The economic consequences for the US economy of a
prolonged military campaign in Iraq (one that could last for over a
decade), as well as continuing engagement with Afghanistan, could be
dangerous for the USA in terms spelt out by Kennedy. And even while
extremist political strategies such as terrorism - like the guerrilla war
tactics America had to face in Vietnam - are the strategies of the
relatively weak, they can have long-term, attritional consequences that
big powers are unable to contain, much less meet. The danger is that
big powers believe too easily in their invincibility.

For effective regime changes to be affected in countries like
Afghanistan and Iraq, Myanmar (Burma) and North Korea, serious and
long-term interventions, support, aid and investment are essential. This can only come from a wide multilateral commitment and would require the committed leadership of the sole hegemon, America. The cost would be enormous.

For the USA to try to go it alone could ignite all kinds of internal contradictions within American society. Kennedy suggests that these contradictions are present in all the ‘great powers’. They are particularly related to the costs of preparing for and waging globally far flung wars and servicing the structurally vast military budgets that great or superpowerdom entail. Nor should we ignore the stresses and fractures within contemporary American society - especially in terms of ethnic groups (large and small) who are marginalized economically and in terms of access to power, gender groups, people who are the victims of poverty and inequality, homelessness, disaffection and alienation from dominant cultural values, etc. These all add up to the fact that America cannot afford to go it alone for too long in its unilateralist role on the global stage. Joseph Nye had made this point well:

The bad news for Americans in this more complex distribution of power in the twenty-first century is that there are more and more things outside the control of even the most powerful state. September 11, 2001 should have sounded a wake-up call. Although the United States does well on the traditional measures, there is increasingly more going on in the world that those measures fail to capture. Under the influence of the information revolution and globalization, world politics is changing in a way that means Americans cannot achieve all their international goals acting alone.54

This is where cooperation between Japan and Australia could well turn out to be fruitful. Their united voices are more likely to be heard both in Washington and in Beijing than if they were to speak separately.55 And the possibility is that if Japan and Australia are able to forge a joint position, other Asian states may well join them. How the Iraq issue is resolved, by Australia and Japan in relation to their equally significant alliances with the USA, has lessons for the immediate future - as does the on-going problem of how Australia may respond to American military determination to protect Taiwan’s integrity in the face of a threat from the Chinese mainland.56

6. CONCLUSION

For Australia and Japan to remain mired in the mindless utilitarianism of their current trade relationship is clearly therefore against the interests of both countries. It is time that this well-established relationship was broadened. The foreign ministers and officials who administer it need to consider ways in which it could be made a more mature and wide-ranging relationship. This means helping each other move from estrangement from Asia to engagement with Asia. There is much each country has to offer the other in this great diplomatic task ahead of them. It’s time to move towards this goal.

What are some of the possibilities in making such a move? Following Professor Ramesh Thakur’s proposals for reforms to the United

Nations,\textsuperscript{57} we suggest the following issues as a tentative or preliminary agenda that certainly would need augmenting and refining:

- A volunteers abroad program for young Japanese and Australian graduates, working in joint government aid programs, and with NGOs, on health, environmental, and education projects in the 'weak' states of the South Pacific. Both Australia and Japan have impressive overseas volunteer organizations funded in large part by their respective governments. Several South Pacific states are in grave difficulties as global warming raises sea levels and other problems of governance batter their fragile economies, polities and social structures. One at least is a UN-identified 'Least Developed Country' (LDC) and others are close to falling into this unfortunate category. Working together on these kinds of projects would lay the globalizing cultural foundations for broader 'development' work in the future - work that will be at the forefront of Richard Falk's 'globalization from below'.\textsuperscript{58}

- A joint academic grouping (possibly in collaboration with the United Nations University), bringing together several leading universities from each country, to develop a co-operative research and training institute for educating leaders in international business, law, diplomacy, education and the media. The main recruiting focus for students in this institute would be the APEC countries.

- The joint sponsoring of a regional institute to bring together scholars from among the major religio-cultural traditions in East and Southeast Asia (e.g., Islam, Buddhism, Hinduism, Confucianism, Christianity, secularism) to promote a 'dialogue of

civilizations'.

- A joint scientific research institute focusing on nuclear technology, with the purpose of developing safe storage of nuclear waste materials generated by peaceful nuclear industries, and also researching cutting-edge technologies in the production of clean nuclear-powered energy generators. This institute should aim to become the world's leading scientific center on these issues.

- In close collaboration with the United Nations, a joint East and Southeast Asian security organization dedicated to strategic and peace research and action programs, including peace making and peace keeping operations in the Western Pacific (e.g., in relation to civil conflicts in the South Pacific and in relation to North Korea). 59

- A joint organization (affiliated with the UN Commission for Human Rights and Refugees) focusing on refugee and international population movements and issues related to the management and settlement of immigrants in the Western Pacific. This may entail co-operating with the UN in addressing what Professor Thakur reminds us are 'Population flows within and among countries, which now involve hundreds of millions of people and affect countries of origin, transit and destination'. 60

- A joint research initiative focusing on medical issues of relevance in the Asia-Pacific region - concentrating especially on strategies for combating AIDS and drug addictions, working with UN agencies to deal with the 'pernicious effects of HIV/AIDS'. 61

60 Thakur, op. cit.
61 Ibid.
• A joint initiative for studying gerontological issues (e.g., health, housing, social welfare), with a particular focus on demographic policy responses to aging population scenarios to address ‘Social and policy consequences of severe demographic imbalances between the youth and the aged’. 62 This should lift the debates about wealthy Japanese retirees seeking to spend periods of their retirement in Australia beyond the crass levels where they have been floundering in the past. 63

• A joint initiative on environmental research issues such as global warming in the Pacific, the environmental consequences of logging practices in Southeast Asia, developing sustainable fishing industries in the Pacific and Southern Oceans, meteorological phenomena like ‘El Nino’.

These issues - or others that are similar - were floated at various times in some of the more creative thinking behind the abandoned multifunction polis (MFP) scheme in late 1989. While that scheme has been discarded, even discredited (for all sorts of good and bad reasons), it may be time for Australia and Japan to reconsider some of the progressive diplomacy that could have come out of a successful MFP scenario.

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62 Ibid.
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