

## Pacific Partners Outlook

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### AUSMIN Takes the Long View of U.S.- Australia Security Cooperation

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Top U.S. and Australian officials on August 12 signed a 25-year legally binding Force Posture Agreement to cement the new era of bilateral security cooperation, and U.S. rotational deployments to northern Australia in particular. At first glance, the document Secretary of State John Kerry, Secretary of Defense Chuck Hagel, and their Australian counterparts Julie Bishop and David Johnston signed at the Australia-United States Ministerial Consultations appears little different than the two force posture initiatives announced by President Barack Obama and then prime minister Julia Gillard in 2011. But it actually signals the maturing and institutionalizing of a more robust U.S.-Australia security relationship.

When President Obama announced the initial deployment of 250 U.S. marines to Darwin two years ago as the most visible measure of his new “pivot” or “rebalance” to the Asia Pacific, the initiative elicited praise and discomfort in almost equal measure. Cynics in Australia and the United States saw the rotational deployment, which now stands at 1,500 marines and will eventually max out at 2,500, as an empty gesture. Those more concerned about the development of a U.S. policy of military containment vis-à-vis China fretted that the marines were just the first step to Washington using its allies to establish a more heavy-handed presence in the region. And among Australia’s neighbors, especially Indonesia, conspiracy theories were thick on the ground, including that the marines were there to help with any military contingency in the archipelago.

### Inside This Issue

#### THE MONTH THAT WAS

- Kerry, Hagel sign force posture agreement at AUSMIN
- Key claims Labour, Greens would drive New Zealand back into deficit
- Kerry visits Solomon Islands

#### LOOKING AHEAD

- Kurt Campbell on U.S. Asia policy
- Exhibition of Australian portraits

## AUSMIN Takes the Long View of U.S.-Australia Security Cooperation *(continued)*

What the Marine Corps presence in Darwin has actually done, alongside the increased rotation of U.S. Air Force craft and personnel through northern Australia, is boost interoperability and opportunities for collaboration between the two allies. It has allowed greater and more consistent opportunities for joint training and exercises, and presented U.S. marines with access to the Australian military's vast training grounds. It has also boosted the effectiveness of regular bilateral exercises such as Exercise Talisman Saber, and those open to multilateral partners such as Exercise Pitch Black, by making planning much easier and allowing the repositioning of U.S. matériel.

*Secretary of State John Kerry (third from right) and Secretary of Defense Chuck Hagel (second from right) open this year's Australia-United States Ministerial Consultations with Foreign Minister Julie Bishop (third from left) and Defense Minister David Johnston (second from left). During the consultations, the four signed a 25-year Force Posture Agreement cementing U.S. rotational deployments in northern Australia. <https://www.flickr.com/photos/statephotos/14704606619/>*



The fact that Washington and Canberra both feel comfortable about committing to a 25-year framework underscores how far they have come in dispelling those fears in only two years. Discussions in Australia have increasingly turned from discomfort with a stronger U.S. presence to discussions about how and on what time frame that presence could be further bolstered, potentially including U.S. Navy access to the HMAS Stirling naval base in the state of Western Australia. Australia's neighbors have also grown more accepting of the U.S. presence in Australia, even as the United States prepares to deploy troop rotations to the Philippines, and more cognizant of its potential benefits.

The one area in which the new U.S. rotational deployments offer the most benefit remains untested—the opportunity for more rapid response to regional disasters, in particular for search and rescue missions and humanitarian assistance and disaster relief (HADR) emergencies. The aftermath of Typhoon Haiyan in late 2013 underscored the indispensable

## AUSMIN Takes the Long View of U.S.-Australia Security Cooperation *(continued)*

role that U.S. forces play in HADR response in the region. The hoped-for centrality of HADR work in the new era of U.S.-Australia security cooperation was highlighted in both the [original announcement](#) of the force posture initiatives and statements surrounding the [new agreement](#).

This year's AUSMIN and the Force Posture Agreement also highlighted a goal increasingly obvious in the inclusion of other nations in U.S.-Australia joint exercises—the transformation of the U.S.-Australia alliance from a bilateral relationship to one that forms the cornerstone of wider regional cooperation. The officials at AUSMIN made clear that this hoped-for cooperation includes HADR and search and rescue, but also areas like maritime security, counterterrorism, missile defense, and, if necessary, convincing a rising China to play by the international rules of the road. Secretary Hagel summed up this goal of the U.S.-Australia relationship as “a new, committed resolve to work together to build a security system across this Indo-Pacific region... recognizing the common interests that we all have for a stable, peaceful, secure world.”

The discussions at this year's AUSMIN, and the signing of the Force Posture Agreement in particular, highlight the institutionalizing of the U.S.-Australia leg of Washington's rebalance to the Asia Pacific. Both nations are signaling not only that their bilateral relationship will help support a more stable security environment throughout the region, but also that they are committed to its doing so for decades to come. ▲



*Three Australian F/A-18 Hornets approach a KC-30A MRTT to refuel en route to Guam for the 2013 Cope North multilateral exercises in Guam. The signing of a 25-year Force Posture Agreement will improve interoperability and opportunities for Australia-U.S. joint training by institutionalizing the rotational deployment of U.S. Air Force personnel and planes to northern Australia. <https://www.flickr.com/photos/pacificairforces/8454724180/>*

# The Month That Was



*U.S. secretary of state John Kerry and Australian foreign minister Julie Bishop arrive in Sydney for the August 11-13 Australia-United States Ministerial Consultations. They joined U.S. defense secretary Chuck Hagel and Australian defense minister David Johnston for wide-ranging discussions of bilateral security and economic cooperation. <https://www.flickr.com/photos/statephotos/14697019919/>*

## AUSTRALIA

**Kerry, Hagel sign force posture agreement at AUSMIN.** Secretary of State John Kerry and Secretary of Defense Chuck Hagel met with their Australian counterparts, Julie Bishop and David Johnston, in Sydney on August 11-13 for the annual Australia-United States Ministerial Consultations. The four signed a force posture agreement laying out the parameters of the U.S. Marine rotational presence in Darwin, northern Australia, for the next 25 years, including cost-sharing for facilities. The four also discussed the Trans-Pacific Partnership trade agreement, the situation in Ukraine, and the threat presented by extremists fighting in Iraq and Syria returning to Southeast Asia.

**Justice minister says terrorism threat greater than at time of Bali bombings.** Justice Minister Michael Keenan said August 20 that the threat of returning extremists from Iraq and Syria presents Australia and neighboring Indonesia with a greater terrorist threat than the one they faced following the 2002 Bali nightclub bombings, which killed 202 people including 88 Australians. Hundreds of Indonesians and roughly 150 Australians are reportedly fighting in Iraq and Syria, and both Australian and Indonesian officials have sounded the alarm that they could pose a serious threat to the region upon their return.

**Australian Broadcasting Corporation sheds staff, guts its international budget.** Managing director Mark Scott of the Australian Broadcasting Corporation (ABC) confirmed on August 19 that the public broadcaster would lose roughly 70 of its staff due to the government's decision in May to cancel ABC's long-term contract to run the Australia Network, which broadcasts abroad. As a result of the lost contract, ABC has slashed its international budget by 60 percent, canceling services long provided by Radio Australia and the Australia Network across Asia and the Pacific Islands.

**Abbott open to budget compromises with crossbenchers.** Prime Minister Tony Abbott said August 17 that he would be willing to accept "an adjustment here...an adjustment there" regarding his National-Liberal coalition government's three-month-old budget, as long as minor opposition parties, called crossbenchers, provided alternative sources of savings. Abbott has so far failed to get support for many of his top budget priorities, including restructuring benefits for higher education and families. But several crossbenchers, including independents and members of the Greens and Palmer United Party, dismissed Abbott's offer as insufficient.

**BHP Billiton to split company, spin off “non-core” mining assets.**

Australian mining giant BHP Billiton on August 15 informed the Australian Securities Exchange that it will split the company by spinning off some of its assets, speculated to include its South African businesses and some Australian operations, into a new company. The split would likely leave BHP itself with a value of about \$188 billion, while the smaller company would be valued at \$13-\$19 billion, [according to ABC News](#).

**Clive Palmer angers China with insulting comments.** Clive Palmer, mining mogul and head of the Palmer United Party, sparked anger in both Australia and China on August 18 when he addressed a dispute over royalties between one of his companies and Hong Kong-listed Citic Pacific with a rant about “Chinese bastards” who “shoot their own people... and...want to take over this country.” Prime Minister Tony Abbott quickly criticized Palmer’s comments and Foreign Minister Julie Bishop assured Chinese diplomats that Palmer did not represent the views of officials in Canberra. Palmer apologized on August 20, insisting that he was referring only to Citic Pacific, but his apology did little to assuage criticism.

**NEW ZEALAND****Key claims Labour, Greens would drive New Zealand back into deficit.**

Prime Minister John Key on August 20 insisted that the opposition Labour and Green parties would drive New Zealand into deficit if they were returned to power in the September 20 national elections. The barb came on the same day that the Greens released their fiscal plan, promising to run yearly surpluses by 2017/2018 \$1.8 billion larger than those promised by Key’s National Party. A poll conducted in mid-August showed that the National Party’s lead over the Labour-Greens coalition was 45 percent to 40 percent, down from 50 percent to 39 percent earlier in the month.

**McCully visits Fiji ahead of elections.** Foreign Minister Murray McCully met with his Fijian counterpart, Ratu Inoke Kubuabola, in Nadi, Fiji, on August 22 in the first such bilateral consultation since 2006. Discussions focused on regional issues and preparations for Fiji’s September 17 elections, to which New Zealand has contributed \$2.5 million. New Zealand has lifted travel restrictions on Fijian officials that were imposed after the 2006 military coup by Rear Admiral Frank Bainimarama, but has not yet restored full diplomatic relations despite a 2012 commitment to do so.

**Scandal erupts over revelations of dirty politics by National Party.**

Investigative journalist Nicky Hager caused a furor with the August 13 release of *Dirty Politics*, which details efforts by close allies of Prime Minister John Key to smear political opponents. The book is based on



*BHP Billiton’s Ekati diamond mine in the Northwest Territories, Canada. The Australian mining giant has announced plans to spin off some of its non-core assets into a separate company, expected to be valued at \$13-\$19 billion. <https://www.flickr.com/photos/skytruth/5414108904/>*



*Prime Minister John Key with Justice Minister Judith Collins. Key is trying to distance himself from Collins following revelations that she leaked the name and phone number of a public servant to a right-wing blogger. <https://www.flickr.com/photos/nznationalparty/14107319217/>*

information from the files of right-wing blogger Cameron Slater that show he had a close relationship with Key's former senior adviser, Jason Ede, and with Justice Minister Judith Collins, both of whom assisted Slater in attacking prominent opposition figures. Key and Deputy Prime Minister Bill English have scrambled to distance themselves from the scandal, especially from revelations that Collins leaked the name and phone number of a public servant to Slater.

#### PACIFIC ISLANDS

**Kerry visits Solomon Islands.** Secretary of State John Kerry wrapped up his trip to the Asia Pacific, which included stops at the ASEAN Regional Forum in Myanmar and Australia-United States Ministerial Consultations in Sydney, with an August 13 visit to the Solomon Islands. Kerry met with Prime Minister Gordon Darcy Lilo and other officials for discussions that included the threat of climate change and the need for sustainable economic development. Kerry attended a wreath-laying ceremony at the Guadalcanal American Memorial and Solomon Scouts and Coastwatchers Memorial to honor U.S. service members who fought during World War II.

**Fijian election commission rejects 13 candidates, including opposition leaders.** Fiji's Electoral Commission on August 19 released a finalized list of the 248 qualified candidates nominated to run in September 17 national elections. The commission rejected the nominations of 13 candidates, including Fiji Labour Party leader Mahendra Chaudhry and Fiji United Freedom Party president Jagath Karunaratne. The former was disqualified for maintaining an Australian bank account without permission—a decision he unsuccessfully appealed. The latter was disqualified due to seven-year-old traffic violation that resulted in only a \$300 fine.

**Election observers begin arriving in Fiji.** The first members of the Australian contingent that will co-lead, along with India, Indonesia, and Papua New Guinea, a multinational group to monitor Fiji's September election arrived in Suva on August 18. The group will include observers from 17 nations and the European Union. They will be allowed to observe the campaign ahead of the elections, as well as the voting on September 17. Canada and the United States have been invited to join the observer group, but have not yet decided whether to do so.

**Forum Fisheries Agency sounds alarm over bigeye tuna.** The Pacific Islands Forum Fisheries Agency, which represents 17 Pacific nations, issued a statement on August 14 warning that the bigeye tuna population is dangerously overfished and calling on "large, distant water" members

of the Western and Central Pacific Fisheries Commission (WCPFC), such as China, Japan, and the United States, to meet their obligations to report catch data. The statement followed the August 6-14 meeting of the WCPFC Science Committee, during which participants were told that bigeye stocks have been reduced to 16 percent of their original numbers.

**Gold Ridge mine lays off hundreds; evacuates expats from Solomon Islands.** Gold Ridge Mining Limited, which is owned by Australia's St. Barbara, said August 15 that it had been forced to lay off more than 400 of the 570-strong workforce at its Solomon Islands mine and evacuate all its expatriate employees from the country amid security concerns. The mine has been the site of increasing lawlessness, including looting by employees, since flooding halted operations in early April. Solomons prime minister Gordon Darcy Lilo said August 22 that the government is now in talks with St. Barbara about possibly taking control of the mine.

**Bougainville parliament passes new mining law, cancels Rio Tinto's licenses.** Lawmakers in Papua New Guinea's autonomous region of Bougainville on August 8 passed a long-delayed mining bill transferring all power to regulate mining in the area from the national to regional government. The legislation stripped British-Australian mining giant Rio Tinto of its exploration and mining licenses in the region, including over the Panguna copper mine, its management of which helped spark the Bougainville Civil War of the 1990s. Rio Tinto retains the right of first refusal in any negotiations to reopen the mine, sparking heavy criticism from some veterans and civil society groups in Bougainville. ▲



*Greenpeace activists in Guam protest overfishing of tuna stocks in 2007. The Pacific Island Forum Fisheries Agency is sounding the alarm about the overfishing of bigeye tuna following a report that stocks have been reduced to 16 percent of their original numbers. <https://www.flickr.com/photos/ekkaia/2093049658/>*

# Looking Ahead

**Kurt Campbell on U.S. Asia policy.** George Washington University's Sigur Center for Asian Studies and Institute for Communitarian Policy Studies will cohost a lecture on September 8 by former assistant secretary of state for East Asia and the Pacific Kurt Campbell. Titled "U.S. Policy on Asia: Where Do We Go from Here?," the lecture will be followed by a discussion with the audience. The event will take place from 5:00 p.m. to 6:30 p.m. at the Elliott School of International Affairs, Lindner Commons, 1957 E St., NW, Room 602. For more information and to RSVP, [click here](#).

**Exhibition of Australian portraits.** The Embassy of Australia and Portrait Artists of Australia are hosting an exhibition until September 19 featuring 23 portraits by Australian artists. The exhibition depicts the wide range of portraiture in Australia as well as the nation's rich cultural diversity, with subjects ranging from celebrities to family members. The exhibition is available Monday through Friday from 10:00 a.m. to 2:00 p.m. in the Gallery at the Embassy of Australia, 1601 Massachusetts Ave., NW. For further information, call (202) 797-3000 or e-mail [Cultural.RelationsUS@dfat.gov.au](mailto:Cultural.RelationsUS@dfat.gov.au). ▲

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