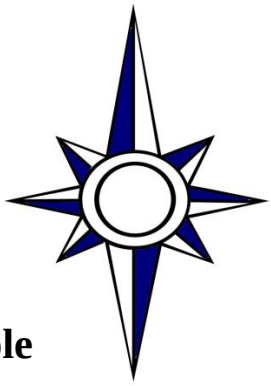
Comparative Connections
A Triannual E-Journal on East Asian Bilateral Relations



Australia-East Asia/US Relations:

Australia-US Alliance Enhanced as Economies Decouple

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Australia has a close alliance with the US and deep emotional and cultural ties, but the new reality is that the two economies have decoupled. Twice in the past decade the US has gone into recession, but Australia has kept growing; that is a huge change from the 20th-century experience when Australia's fortunes were closely tied to the health of the US economy. Asia now sets Australia's economic temperature, even as the Australian military draws closer to the US through parallel reviews of the posture of their defense forces.

The great question for the alliance partners is how much they can still align their strategy and interests in what Canberra has started to describe as "the Asian Century." All these elements could be detected when Australia's Prime Minister Julia Gillard addressed the US Congress in March and finished her speech of praise for America with a memory of her schooldays in Adelaide. She said that Americans are still, "the same people who amazed me when I was a small girl by landing on the moon. On that great day I believed Americans could do anything. I believe that still. You can do anything today."

Australia's first female prime minister comes from the left of the Labor Party. But the tenor of her speech differed little from that of the Australian prime minister who took the same podium in Washington in 2002: Liberal Party leader John Howard. While Howard and Gillard are deeply contrasting personalities from the two poles of Australia party politics, on the US alliance they reflect a commitment and a consensus that has united both sides of Australian politics for decades. Even former Liberal Prime Minister Malcolm Fraser, who is most critical of the workings of the alliance, affirms the importance of the US relationship while lamenting that Australia is "too compliant" and "subservient" in its dealings with Washington.

Gillard was in Washington to mark the 60th anniversary of the signing of the ANZUS alliance. The health of the pact is shown by how it is evolving today: Australia's defense minister says plans for greater US use of Australian military facilities will "be the single biggest change or advancement of alliance relationships" since the 1980s. The alliance, though, is also being reframed for Australia by the changes throbbing through Asia. These two themes define much of this review of Australia–East Asia/US relations: the continuing vigor of the alliance and the unfolding realization of what the "Asian Century" will mean for Australia.

The economic decoupling from the US

Australia's alliance commitment with the US no longer mirrors, as it once did, the economic ties to the US. The rise of Asia over the last decade has seen Australia decouple from the US

economy. Both ends of the decade were bookended by symbols of the decoupling. At the start, the US dipped into recession when the "dot-com" bubble burst. Near the end, the US suffered its worst crash in nearly 80 years. Both times, Australia's economy sailed on without dipping into the red. Important links remain.

For much of the 20th century, Australia's economy always caught cold when the US sneezed. In the 21st century, that automatic linkage has been severed. The Asia boom has delivered Australia its best terms of trade in 140 years as Europe and the US grapple with recession. In its Regional Economic Outlook in April, 2011, the IMF depicted the shifting of the economic continents for Australia over the last 20 years. In the 1990s, the US could still feed major negative impacts into the Australian economy. But the decoupling completed in the first decade of the 21st century means the US negative effect is 'no longer statistically significant.' Asia is what matters, for good or ill. Here is the IMF on the 20-year transformation:

> During the last decade, shocks from emerging Asia have overtaken those from the United States as the most important external factor influencing Australia's business cycle. For the sample period 1991–2010, a 1 percent shock to US GDP is found to move Australian growth by about 0.4 percent. In contrast, GDP shocks from emerging Asia have an almost negligible impact on Australian growth. This result changes dramatically when limiting the sample period to 2000–10, for which a 1 percent shock to emerging Asia's growth is found to shift Australian growth by ⅓ percent, whereas the impact of US GDP shocks on Australia is no longer statistically significant.

The past 10 years witnessed fast-growing trade integration between emerging Asia and Australia. In 2010, almost 60 percent of Australia's exports – dominated by commodities – headed to emerging Asia, compared with 40 percent 10 years ago. At the same time, about half of Australia's imports came from emerging Asia, up from one-third a decade ago.

The decoupling from the US economy is part of the reason that in the annual budget for 2011-12, announced in May, the Gillard government could pledge to return government spending to surplus by the following financial year, 2012-13. Opposition leader Tony Abbott said the government can take little credit for getting the budget back into the black, arguing that if the federal budget does return to surplus in two years, it will be "made in China, not made in Australia." Official analysis and political debate is telling Australia that it is being altered by Asia and that those changes will go much further. The Treasury budget papers discussed the transitions facing Australia under the heading, "The Asian Century and the changing structure of Australia's economy." In the opening moments of his statement to Parliament on the annual financial statement, Treasurer Wayne Swan hit the same note: "This budget is built on our firmest convictions: that just as our focus on jobs helped Australia beat the global recession, so too can a focus on jobs maximise our advantages in the Asian Century."

Modern Australia is the creation of 200 years of settlement during what were clearly Western centuries. At the very least, the Asian Century will cause shifts in where and how Australians work, a theme the treasurer returned to in the closing moments of his budget speech: "Labor governments of the past managed the transition from a closed economy to an open economy competing in the world. Now that the world is changing, we must change as well. Ours is again

an economy in transition. Global economic weight shifts from West to East – bringing growth and dynamism closer to Australia than ever before."

Using the heading "How fast is Australia's economic geography changing?", the Treasury answers: "Since the mining boom commenced, the pace of change in the distribution of economic activity between the different states and territories has been unprecedented in recent history, and even more marked than the pace of change in industry structure." Much is on the move when the Australian Treasury starts using words like "profound" and "unprecedented" to describe economic shifts while the treasurer can embrace the "Asian Century" as a key image in the first minute of his annual budget address to the nation. Australia did much to promote the concept of the Asia-Pacific through the creation of APEC, so it is a shift in standard Canberra language for the focus to be simply Asia, not the Asia-Pacific.

The US and Asia

Prime Minister Gillard traveled to Washington in March for talks with Obama administration and to address Congress. The following month, the prime minister performed almost a matching tour to North Asia, visiting Japan, South Korea, and China. The two tours illustrate the twin themes of the alliance and Asia.

Following three previous Australian leaders who addressed the US Congress (Robert Menzies, Bob Hawke, and John Howard), Gillard said she came to repeat a simple message that had been true in war and peace, in hardship and prosperity, in the Cold War and in the new world: "You have a true friend down under."

The regional dimension of the speech reflected Australia's fervent hope that after the decade of Iraq and Afghanistan, Washington is giving full attention to its role as an Asian power. Gillard said the US will be as indispensable as it was in the Cold War in underpinning stability and strengthening institutions to manage the frictions caused by Asia's growth: "I believe it is in the Asia-Pacific where the global order is changing most.... The centre of global strategic and economic weight is shifting to this region. The rise of the Asia-Pacific will define our times. Like you, our relationship with China is important and complex. We encourage China to engage as a good global citizen and we are clear-eyed about where differences do lie."

In media terms, the images that mattered to Gillard came from her visit to the White House for talks with President Obama and then going with Obama to a Washington school to talk to students. For many Australian voters, the defining photo was Gillard in the Oval Office playing ball (or hand balling) an Australian Rules football with the president. The same symbolism shaped Gillard's visit the following month to Asia, going first to Japan, then South Korea, and finally to China.

Going to China first in their initial bilateral visit to Asia was judged as poor message management by President Bill Clinton and by Prime Minister Kevin Rudd. The George W. Bush administration made a habit of calling on Japan first. Gillard followed the Bush model and avoided the China-first example of Rudd by touching down in Tokyo and Seoul. And, she spent four days in Japan compared to two in Beijing. The shortness of the China stay was partly explained by the prime minister's need to fly on to London to attend Prince William's wedding.

One other bit of symbolism is worth noting: the formal bilateral visit to Asia by Australia's first female leader. Less than one year into the Age of Julia, Australia has moved way past the first female leader milestone to a dark discussion of whether Gillard is any good as a political leader. (Note, also, that New Zealand had two female PMs before Australia got to the same point.)

In Asia, however, Gillard conveys important messages about what is possible in Australia. In Tokyo as in Beijing, women may have to wait a long time before they see a similar leadership milestone. The possibilities of Australian society are on show when the unmarried woman who runs Australia can take her male partner (colloquially known as "The First Bloke") to meet the Emperor and Empress of Japan.

Gillard confesses that she has no natural feel for foreign policy. Her words tend to follow positions of the Labor prime minister she deposed in 2010, Kevin Rudd, who now serves as foreign minister. Thus, in Gillard's "keynote address" to the Japan National Press Club, she repeated Rudd's argument for Asia to create a new community to confront (or prevent) security dilemmas: "The Asia-Pacific is a region in strategic flux, where changing power relativities are playing out against the backdrop of historical mistrust and conflict. It is vital that we build a robust architecture of security and cooperation to guarantee the peace and prosperity of our people in the years ahead."

Just as Gillard went to Washington to mark the 60th anniversary of the formal alliance with the US, so she journeyed to Korea to remember the 60th anniversary of the battle of Kapyong, one of Australia's major engagements in the Korean War. In Korea, Gillard could note that she was making her second visit to South Korea as prime minister, following the G20 meeting in November, 2010. The shared middle power and alliance perspective were stressed: "We are both alliance partners of the United States, seeing the US presence in Asia as fundamental to regional stability. We are G20 economies, members of the East Asia Summit, and active participants in APEC. As middle powers, we are committed to multilateralism and believe in doing our part to strengthen a rules-based global order."

In Beijing, Gillard's major speech asserted Australia's right to be "clear and robust" in what it says to China about human rights, but tied this claim to language of appreciation and partnership: "We do so in the context of what has become a comprehensive and constructive relationship between our two nations; a relationship grounded in a clear understanding of each other and our interests, and which is strengthened by hard work and deepened by mutual respect."

The *WikiLeaks* release of US diplomatic cables offered some inside detail on how Canberra and Washington are discussing the ever-bigger panda in the regional room. One notable cable reported a meeting between then Prime Minister Kevin Rudd and Secretary of State Hillary

Clinton in Washington on March 24, 2009. Clinton captured the economic dimension of the strategic challenge from China with one elegant question: "How do you deal toughly with your banker?" Rudd told the secretary of state that what became Australia's 2009 Defence White Paper had been shaped by China's growing military capacity. The US diplomatic cable reported:

> "Calling himself 'a brutal realist on China,' Rudd argued for 'multilateral engagement with bilateral vigor' – integrating China effectively into the international community and allowing it to demonstrate greater responsibility, all while also preparing to deploy force if everything goes wrong. Rudd said the Australian intelligence community keeps a close watch on China's military modernization, and indicated the forthcoming Australian Defence White Paper's focus on naval capability is a response to China's growing ability to project force.

Fairfax newspapers in Australia also used *WikiLeaks* to show how the US Embassy in Canberra had reported on Rudd's prime ministership. One report said embassy cables had described Rudd as "an abrasive, impulsive 'control freak' who presided over a series of foreign policy blunders during his time as Prime Minister."

In December, 2010, the secretary of state's office said Clinton had telephoned Rudd about the *WikiLeaks* disclosures to underscore "the value she placed on their personal partnership" and emphasize "her gratitude to Minister Rudd for his leadership and vision in helping guide the alliance in meeting the threats and opportunities of the 21st century."

Whatever his private self-description as "a brutal realist," Rudd proclaims that he is always an optimist on China. In May, the foreign minister even offered a score on his emotions about China - 80 percent positive and 20 percent negative: "My policy on China has been very consistent for a long, long time and that's that the glass is eight parts full and two parts empty." It is that 20 percent negative area that is driving a lot of effort in the US-Australia alliance.

The alliance

Australia is following the US lead to conduct its own Defence Force Posture Review. And, Canberra is making clear that its choices and possible changes will be deeply influenced by what the US decides to do in Asia and the Indian Ocean. The reviews open the way to an increased US military presence on Australian soil. In preparations for the AUSMIN meeting in San Francisco in September, 2011, Defense Minister Stephen Smith said that increased US military use of Australian bases "will be the single biggest change or advancement of alliance relationships since the joint facilities regime [covering the signals intelligence base at Pine Gap] was established back in the 1980s."

The working assumption of Australia's own defense rethink is that more military personnel and equipment must be moved to sparsely populated areas in the west and north of the country. The domestic explanation for such a shift is to protect the energy infrastructure involved in vast oil and gas projects that are driving Australia's economic health. The regional purpose is to respond to the changing strategic dynamics in the Indian Ocean and Southeast Asia and to compliment what Canberra hopes will be an increased US presence.

In November, 2010, Defense Secretary Robert Gates, Secretary Clinton, and Chairman of the Joint Chiefs of Staff Adm. Mike Mullen flew to Melbourne for annual talks with Defense Minister Smith and Foreign Minister Rudd. The meeting marked the 25th anniversary of AUSMIN (created after the US expelled New Zealand from the ANZUS alliance). The ministers agreed to "bilateral consultations on the US Global Force Posture Review." Smith said a US-Australia working group will develop options to align Australian and US force postures, increase US access to Australian training exercise and test ranges, consider the prepositioning of US equipment in Australia, and develop options for greater US use of Australian facilities and ports.

In June, 2011, Smith went further, announcing Australia's own force posture review to assess whether the Australian Defence Force (ADF) is correctly positioned geographically to meet future strategic and security challenges. He said the Australian review will "complement the work currently underway with the United States on the ongoing United States Global Force Posture Review."

The review by the Defense Department is being overseen by two former public service secretaries of Defense, Allan Hawke and Ric Smith. (Ric Smith is currently serving as Australia's Special Envoy for Afghanistan and Pakistan.) The Posture Review is to provide a "strategic context" for Australia's next scheduled Defence White Paper in 2014. Defense Minister Smith said the study will consider:

- the rise of the Asia-Pacific as a region of global strategic significance;
- the rise of the Indian Ocean rim as a region of global strategic significance;
- the growth of military power projection capabilities of countries in the Asia Pacific;
- the growing need for the provision of humanitarian assistance and disaster relief following extreme events in the Asia Pacific region; and
- energy security and security issues associated with expanding offshore resource exploitation in Australia's North West and Northern approaches.

At the Shangri-La Dialogue in Singapore in June, Smith said Australia's engagement with the US posture review reflected Canberra's view that the US should increase its role in Asia: "The very clear message from Australia has consistently been that we believe that it is in the Asia-Pacific region's interest for the United States not just to continue its engagement but to enhance it."

At the same Singapore conference, Secretary Gates said the US is seeking a defense posture across the Asia-Pacific that is "more geographically distributed, operationally resilient and politically sustainable – a posture that maintains our presence in Northeast Asia while enhancing our presence in Southeast Asia and into the Indian Ocean." He said the US and Australia wanted to expand opportunities for the two militaries to train and operate together. The alliance would shift toward more combined defense activities and shared use of facilities, including "increasing our combined naval presence and capabilities to respond more readily to humanitarian disasters; improving Indian Ocean facilities – a region of growing international importance; and expanding training exercises for amphibious and land operations, activities that could involve other partners in the region."

At the 2010 AUSMIN meeting, the US and Australia announced agreements on surveillance of space and cyber-security. A Space Situational Awareness Partnership Statement of Principles covered space surveillance to deal with "the increasingly interdependent, congested, and contested nature of outer space and acknowledged that preventing behaviours that could result in mishaps, misperceptions or mistrust was a high priority." The two governments endorsed a Joint Statement on Space Security pointing to the "estimated 500,000 pieces of space debris of 1 centimetre diameter or larger in orbit around the Earth," describing the space domain as critical to modern life, from navigation to weather forecasting, telecommunications and defense. The space surveillance announcement is the public face of a long collaboration, most significantly represented by the 45-year history of the Australia-US Joint Defence Facility at Pine Gap, near Alice Springs. Pine Gap is used to monitor telemetry signals, signals from large radars, communications from other satellites, and microwave emissions from the earth's surface.

WikiLeaks revealed that in February 2008, the US and Australia signed a secret agreement on GEOINT – geospatial intelligence derived from imagery and other information obtained from surveillance satellites and reconnaissance aircraft. A US diplomatic report of the 2008 agreement said the aim was "to take GEOINT co-operation to the same level that signals intelligence has reached between the two countries."

The same joint effort is now being used to confront cyber-espionage. The AUSMIN communique said, "the increasing sophistication of threats against both countries in cyberspace" meant Australia and the US would step up joint work on "operating and defending mutual national interests in cyberspace, including shared defence and economic interests," while seeking to create international norms for cyberspace. Australia reached a similar agreement with Britain in January 2011.

The Gillard Government has announced that in the first half of 2012 it will release Australia's first "Cyber White Paper" on cyber safety, cyber-crime, cyber security and cyber defence." Defense Minister Smith said the cyber threat to Australia is a growing test of the national security establishment: "It comes from a wide range of sources, and from adversaries possessing a broad range of skills. Cyber-attacks are becoming increasingly more sophisticated and targeted. They are no longer confined to random acts of opportunism. Cyberspace is a shared domain and no single nation can address the security challenges alone. Australia, the United States and the United Kingdom are working together to promote a secure, resilient and trusted cyberspace that ensures safe and secure access for all."

Afghanistan

The Labor government and the Liberal-National opposition share a common stance on Afghanistan based on a transition to Afghan-led responsibility for security in 2014. Beyond 2014, the prime minister has said Australia expects to remain in Afghanistan in some form, such as Special Forces operations, security over-watch, capacity building, institution building or training roles. In her address to the US Congress, Gillard said she was realistic but cautiously encouraged about progress in Afghanistan: "We know transition will take some years yet. We must not transition out only to transition back in."

At the NATO/International Security Assistance Force (ISAF) Defense Ministers' Meeting in Belgium in June, 2011, Defense Minister Smith said that Australia had lost four soldiers in Afghanistan over the past two weeks. He said the deaths, "will not weaken Australia's resolve to see our mission through in Uruzgan Province, nor cast doubt on Australia's view that progress is being made. It has taken us too many years to get to this point, but the surge, and our special forces operations, are working."

Australia is the 10th largest troop contributor in Afghanistan with around 1,550 personnel; Australia is the third largest contributor of Special Forces to Afghanistan, with personnel deployed to the Special Operations Task Group based in Tarin Kot, and operating in Uruzgan and adjoining provinces, including Helmand and Kandahar. Smith predicted more bad days, setbacks, and hard times in the next three years: "The Taliban will strike back and try to recover ground, and they will also, as we know, try to use high-profile incidents as propaganda events to undermine confidence. There is still a way to go and there will be more fatalities. But Australia believes we have the military and political strategy in place and the resources and the people on the ground to deliver it. If the international community continues on this, our agreed path, we will prevent Afghanistan from again becoming a breeding ground for international terrorism." The official version of progress does not match the trend line offered by the figures of Australian soldiers killed and wounded in Afghanistan since 2001.

Australians wounded in Afghanistan:	Australians killed in action in Afghanistan:
2002-04: 4 wounded	2002: 1
2005: 2 wounded	2007: 3
2006: 10 wounded	2008: 3
2007: 27 wounded	2009: 4
2008: 26 wounded	2010: 10
2009: 37 wounded	2011: 8 (as at September 7)
2010: 65 wounded	Total: 29 deaths
2011: 26 wounded (as at September 7)	
Total wounded: 191	

The future relationship

Australian discussion of the future of the diplomatic and military relationship with the US has been linked to remembrance of the origins these connections – the 70th anniversary of the establishment of diplomatic relations last year and this year's 60th anniversary of the signing of the ANZUS Treaty. The two moments in history are deeply intertwined. In 1940, in the early stages of World War II, Australia decided it could no longer conduct diplomatic business with Washington via Britain. By the following year, the US and Australia were moving rapidly from the formalities of bilateral diplomacy to the harsh realities of creating a new alliance to fight the Pacific war.

The 1940 diplomatic moment was recalled at the AUSMIN meeting in Melbourne in November2010. Secretary Clinton and Foreign Minister Rudd issued "The Melbourne

Statement," marking the 70th anniversary of formal diplomatic relations between Australia and the US: "Today, we honour that history by reaffirming that we share with our predecessors, from both sides of the Pacific, a fundamental commitment to the enduring partnership between our two countries. Today, we affirm afresh that the reasons our relationship has flourished are not only because we share common interests but also, more deeply, we share the bond of common values." The foreign minister and secretary of state said the alliance was "the strategic anchor for American engagement in the Asia-Pacific" which had helped to underwrite the security and stability of the region. The statement listed these points as the basis for the future of the relationship:

- The enhancement of democratic freedoms across the human family.
- The maintenance of global and regional security.
- The enhancement of an international rules-based order, both within our region and for the world.
- The building of stable, prosperous, open markets in our region and beyond.
- Action on the global challenge of climate change.
- Lifting people of the world out of the degradation of extreme poverty.
- Building effective regional and global institutions to manage challenges and opportunities of the 21st century.

Chronology of Australia-East Asia/US Relations
October 2010 – August 2011

Oct. 4, 2010: Asia Europe (ASEM) Summit is held in Brussels. Australia attends for the first time, with Prime Minister (PM) Julia Gillard making her first overseas trip as leader.

Oct. 12, 2010: The inaugural ASEAN-Plus Defense Ministers Meeting (ADMM+) in Hanoi, involving all members of the East Asia Summit (EAS), together with the US and Russia, agrees to establish expert working groups for counterterrorism, humanitarian and disaster relief, maritime security, and peacekeeping. Australia and Vietnam sign a Memorandum of Understanding on Defense Cooperation.

Oct. 13, 2010: Australia joins the maritime exercise *Eastern Endeavour 2010*, part of the Proliferation Security Initiative (PSI), hosted by South Korea in Busan.

Oct. 19, 2010: PM Gillard makes a statement on the Australian military role in Afghanistan, initiating a full Parliamentary debate.

Oct. 30, 2010: The fifth EAS is held in Vietnam; invites the US and Russia to join the EAS.

Nov. 1, 2010: PM Gillard visits Kuala Lumpur; meets Malaysian government ministers.

Nov. 2, 2010: PM Gillard visits Indonesia; meets President Susilo Bambang Yudhoyono.

Nov. 8, 2010: Foreign Minister (FM) Kevin Rudd and Defense Minister (DM) Stephen Smith, host the annual Australia-United States Ministerial Consultations (AUSMIN) with Secretary of State Hillary Clinton and Defense Secretary Robert Gates in Melbourne.

Nov. 13-14, 2010: The 18th APEC Leaders Meeting is held in Yokohama, Japan.

Nov. 13, 2010: Leaders of the nine Trans-Pacific Partnership (TPP) countries (Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore, US, and Vietnam) meet on the margins of the APEC meeting, to discuss "a regional trade deal and resolved to seek to conclude the ambitious agreement as swiftly as possible."

Nov. 19, 2010: PM Gillard and DM Smith attend the NATO Summit in Lisbon to agree to the 2014 timeline for handing over control to the Afghan national security forces.

Dec. 3, 2010: Final flights by the Royal Australian Air Force *F-111s* after four decades of service.

Dec. 10, 2010: In Perth, DM Smith meets Adm. Robert Willard, commander of the US Pacific Command.

Dec. 17, 2010: The Australian Federal Police (AFP) states that the publishing of US embassy cables containing classified information on the *WikiLeaks* website is not in breach of Australian law: "The AFP has completed its evaluation of the material available and has not established the existence of any criminal offences where Australia would have jurisdiction."

Dec. 22, 2010: Australia and the US bring into force a new agreement for cooperation in the peaceful use of nuclear material and technology. The agreement extends rules governing the bilateral transfer and use of nuclear material, and for safeguards to prevent proliferation.

Dec. 23, 2010: Three men are found guilty of planning a terrorist attack on an Army base near Sydney allegedly in response to Australia's military involvement in Afghanistan and Iraq and by the jailing of other Muslim men on terrorism charges. Prosecutors say the men sought a religious decree from radical sheiks in Somalia to allow them to launch the attack.

Jan. 18, 2011: Australia-United Kingdom Ministerial talks announce "a comprehensive cyber partnership," coordinating diplomatic, defense, and security efforts on cyberspace.

Feb. 2, 2011: In Afghanistan, an Australian soldier serving with Mentoring Task Force -2, Cpl. Richard Atkinson, 1st Combat Engineer Regiment, is killed by an improvised explosive device.

Feb.10, 2011: New Zealand DM Wayne Mapp meets DM Smith in Wellington. They task their departments to produce a joint report by July to improve bilateral engagement, strengthen strategic bilateral exchanges and look at complementary military capabilities.

Feb. 14, 2011: In Washington, the first meeting of the steering committee of the Joint Commission on Science and Technology.

Feb. 15, 2011: DM Smith announces an inquiry into why the Australian Navy has no amphibious lift ships available because *HMAS Manoora*, *HMAS Kanimbla* and *HMAS Tobruk* are all out of action at the same time. Smith said the Navy's "can do and make do" culture allowed problems with the ships to build up over a decade.

Feb. 16, 2011: PM Gillard pays her first visit as leader to New Zealand and addresses Parliament in Wellington.

Feb. 19, 2011: In Afghanistan, Sapper Jamie Larcombe, 1st Combat Engineer Regiment, is killed during a battle with insurgents. An Afghan interpreter is also killed.

Feb. 20, 2011: US Secretary of Homeland Security Janet Napolitano begins a visit to New Zealand and Australia.

Feb. 23, 2011: Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell visits Canberra for talks with FM Rudd and DM Smith.

March 3, 2011: Malaysia's Prime Minister, Najib Razak, visits Canberra.

March 7, 2011: In Washington, PM Gillard meets President Barack Obama at the White House.

March 8, 2011: PM Gillard meets Secretary of State Clinton at the State Department.

March 9, 2011: PM Gillard becomes the fourth Australian leader to address the US Congress.

March 18, 2011: PM Gillard, Opposition Leader Abbott, and Governor-General Quentin Bryce, attend New Zealand's National Memorial Service in Christchurch to commemorate the 65 lives lost in the Christchurch earthquake on Feb. 22.

April 6, 2011: To address the problem of no amphibious ships being serviceable, Australia buys a British Royal Fleet Auxiliary ship *Largs Bay,* which will be commissioned as *HMAS Choules*.

April 15, 2011: In Dili, DM Smith has talks on East Timor's defense and security and meets Australian soldiers deployed in the International Stabilization Force.

April 20, 2011: PM Gillard begins visit to Japan, South Korea, and China, her first bilateral visit as leader to Northeast Asia.

April 24, 2011: DM Smith and Chief of Defense Forces Angus Houston arrive in Afghanistan to visit Australian forces.

May 2, 2011: PM Gillard issues a statement on the US operation in Abbottabad, Pakistan that killed Osama bin Laden, describing it as a "great blow against terrorism."

May 2, 2011: In Washington, Secretary of State Clinton meets FM Kevin Rudd.

May 23, 2011: In Afghanistan, Sgt. Brett Wood, 2nd Commando Regiment, is killed by an improvised explosive device during a patrol.

May 25, 2011: Australia agrees to fund a new scholarship for an outstanding American professor to work with scientists from Australia. The new position, the Fulbright Distinguished Chair in Advanced Science and Technology, is created by the Defence Science and Technology Organisation and the Australian American Fulbright Commission.

May 30, 2011: In Afghanistan, Lance Cpl. Andrew Jones, 9th Force Support Battalion, while on guard duty, is shot dead by an Afghan National Army soldier who was also manning the guard tower; Lt. Marcus Case, 6th Aviation Regiment, dies of wounds sustained in the crash of an Australian *Chinook* helicopter.

June 1, 2011: Lt. Gen. David Hurley is announced as new CDF. Air Marshal Mark Binskin will be vice CDF, Rear Adm. Ray Griggs will be chief of Navy, Maj. Gen. David Morrison will be chief of Army, and Air Vice Marshal Geoff Brown will be chief of Air Force.

June 6, 2011: In Afghanistan, Sapper Rowan Robinson, Incident Response Regiment, dies as a result of gunshot wounds sustained in an engagement with insurgents.

June 6, 2011: DM Smith visits Brussels for the NATO/ISAF Ministers meeting on Afghanistan.

June 7, 2011: In a speech on the decade since 9/11, Attorney General Robert McClelland says that since 2000 there have been four major terrorist plots in Australia that had been disrupted by authorities. To date, 38 individuals have been prosecuted as a result of counterterrorism operations and 23 have been convicted; 37 of the 38 people prosecuted are Australian citizens and 21 of the 38 were born in Australia.

June 9, 2011: At a NATO/ISAF Meeting in Brussels, DM Smith, says that following the transition to Afghan-led responsibility for security in 2014 Australia expects to remain in Afghanistan in some form, such as Special Forces operations and security over-watch.

June 14, 2011: A Senior Officials Meeting of the Trilateral Strategic Dialogue is held in Washington, involving Deputy Secretary of State James Steinberg, Australian Foreign Affairs Deputy Secretary Paul Grigson, and Japanese Deputy Foreign Minister Koro Bessho.

June 16, 2011: Australia announces the purchase of 24 *MH-60R Seahawk Romeo* naval combat helicopters at a cost of more than $3 billion. Canberra says a significant advantage would be interoperability with the US Navy, which operates about 100 of the *Romeos*.

June 22, 2011: DM Smith announces Australia will undertake a force posture review to assess whether the Australian Defence Force (ADF) is correctly positioned geographically to meet Australia's strategic and security challenges.

June 24, 2011: Australian and New Zealand defense chiefs formalize a plan to use the ANZAC Ready Response Force (RFF) to exercise for joint emergency responses in the region.

July 1, 2011: The Royal Australian Navy frigate *HMAS Toowoomba* starts patrols in the Middle East as part of the international campaign for maritime security. The deployment is the 26th rotation by an Australian Navy ship to the Middle East area since 2001.

July 4, 2011: In Afghanistan, Sgt. Todd Langley, 2nd Commando Regiment, is killed during an engagement with insurgents.

July 11, 2011: In Queensland, about 14,000 US and 8,500 Australian personnel start sea, land, and air exercises. The biennial *Talisman Sabre* is the most complex bilateral exercise Australia conducts with the US.

July 13, 2011: DM Smith visits Honiara to discuss the future of the Regional Assistance Mission (RAMSI) to Solomon Islands.

July 19, 2011: US Assistant Secretary of State for Political Military Affairs, Andrew Shapiro, visits Canberra.

July19, 2011: DM Smith announces a review of maintenance and sustainment of Australia's six *Collins*-Class submarines, saying problems with the submarines are long standing, deeply entrenched and technically complex.

July 24, 2011: DM Smith arrives in the US to meet Secretary of Defense Leon Panetta and Secretary Clinton to discuss Afghanistan, the US Global Force Posture Review, and the September AUSMIN.

July 25, 2011: Australia and Malaysia sign an agreement aimed to stop people-smuggling boats sailing into Australian waters. Australia is to send 800 asylum seekers of such boats to Malaysia.

Aug. 5, 2011: Secretary of the Defence Department Ian Watt is appointed secretary of the Prime Minister's Department. Prime Minister's National Security Adviser Duncan Lewis becomes secretary of the Defence Department.

Aug. 11, 2011: Assistant Secretary of State Campbell leads the US delegation to attend the 19th annual Australian-American Leadership Dialogue in Perth.

Aug. 12, 2011: Australia's Attorney General issues a certificate under the Defence (Visiting Forces) Act to cover a US Navy officer involved in a collision in Willowbank, Queensland, on July 24, when a cyclist was killed. Queensland police on Aug. 11 had charged the officer with dangerous driving causing death. The officer will be investigated under US military law.

Aug. 22, 2011: In Afghanistan, Pvt. Matthew Lambert, 2nd Battalion, The Royal Australian Regiment, dies as a result of wounds from an improvised explosive device.

Aug. 31, 2011: The High Court disallows the Federal Government's "Malaysia Solution," the July 25 agreement for Australia to send 800 asylum seekers to Malaysia.

Sept. 3, 2011: In Canberra, UN Secretary General Ban Ki-moon meets PM Gillard.

Sept. 8, 2011: At the Pacific Islands Forum in New Zealand, PM Gillard announces an expansion of Australia's Pacific Seasonal Worker scheme. Nauru, Samoa, Solomon Islands and Tuvalu have been invited to join Kiribati, Papua New Guinea, Tonga and Vanuatu participating in the pilot scheme for Pacific workers to come to Australia for four to six months to work on farms and orchards.