

[January 01, 2010]

 Printed Version]

Japan, the Indispensable Power in Northeast Asia

By Peter Van Ness

With the rise of China in recent decades, it has become all too customary among many observers to write off Japan as a spent force in the region. But as Australian academic Peter Van Ness argues, there are plenty of reasons why Japan not only remains highly relevant, but also can be seen as the pivotal power in Northeast Asia.

In East Asia, “the times they are a-changing,” and the pundits are full of speculation about what the new “architecture” for the region will look like. After the Democratic Party of Japan’s historic electoral defeat of the Liberal Democratic Party in August, the government of Prime Minister Yukio Hatoyama has the opportunity to take the country in new directions, but it is unclear whether it will have the vision and determination to prevail. America, the world’s only superpower, is in serious trouble, and meanwhile China is on the rise. The focus is on how relations between United States and China will work out, and a discussion of new forms of multilateralism. Often ignored in these discussions, however, is the key role of Japan. Japan is too rich and too powerful to be left out. Whatever the future of East Asia, Japan will have to be a founding participant. In my view, Japan is an indispensable power in the region.

The Japanese are worried about the rise of China, but they worry even more about how to manage their relations with their post-World War II security guarantor, the US. Ever since the end of the Allied occupation of Japan in 1952, Japan has relied on the US to guarantee its security. But now, American hegemony in East Asia has become problematic. The disastrous policies of President George W. Bush’s eight years in office have left the US weakened militarily, economically, and morally. Over-stretched militarily in two unwinnable wars, staggered by a global financial crisis largely of its own making, and humiliated in its claim to be a moral example to the world by incontrovertible evidence of torture, America under Barack Obama must try to find new ways to lead in what looks to be a post-hegemonic world — while Japan watches anxiously.

Japan’s leaders worry about what those new ways might be. Conservatives in Japan would much prefer to maintain the status quo, but there is no longer a status quo to depend on. Hillary Clinton in her initial trip as Secretary of State visited Japan first, but it is clear that she and President Obama seek to build their East Asian policy in cooperation with China. There is no way that Washington can hope to deal effectively with the global financial crisis, climate change, Iran, and North Korea without Beijing’s cooperation. Like all countries in East Asia, Japan has to consider how to position itself within this process of fundamental power transition.

Japan will have to play a major part in any new design for East Asia. If Japan is ignored, it can readily sabotage the new arrangements. For example, there cannot be a successful East Asian Community without Japan’s participation. The Association of Southeast Asian Nations (ASEAN) doesn’t want to find itself vulnerable in an “ASEAN +1” arrangement just with China, but insists on an “ASEAN +3” (with China, South Korea and Japan).

Similarly, the Six-Party talks on North Korea’s nuclear programs cannot succeed without significant financial incentives offered to Pyongyang, for which Japan is expected to make the major contribution. Alternatively, if the region were to turn away from cooperation toward a confrontation between the two major powers, the US and China, in some version of a new cold war, Japan would be the mainstay of the American strategic position in East Asia. The US could not hope to confront China successfully in the region without Japan’s full support. Finally, if Japan’s interests are ignored, it could go nuclear and destroy any future hope for multilateral cooperation in the region.

Let me explain.

The Uniqueness of Japan

Pressures have been growing for years, both within and outside of the country, for Japan to adopt the international role of a so-called “normal nation,” turning its formidable economic might into political and military influence, and even deciding to go nuclear, if necessary, to assert its position in the global power

hierarchy. But Japan is not a normal nation. It is unique in many important ways, a fact that provides significant opportunities to play an importantly different kind of role in international affairs.

How is Japan unique?

- Just prior to the modern period, Japan was purposefully isolated from outside influences by its Tokugawa leaders for 250 years — a period during which a characteristic Japanese cultural distinctiveness was shaped.
- Admiral Matthew C. Perry’s “black ships” broke down the Tokugawa barriers to commerce with the West in the middle of the 19th century, and Japan subsequently became the first non-Western country to industrialize successfully.
- Turning that industrial power into military might, Meiji Japan became the only non-Western imperialist power in the modern period, for a time competing successfully with Russian, British, German, and American imperial interests in East Asia.
- Defeated in World War II, Japan was the only country in history to be attacked with nuclear weapons, in Hiroshima and Nagasaki.
- The Japanese Constitution, which was adopted under the occupation by the Allied powers, includes the unique provision in Article 9 that states “the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes.”
- Successfully re-industrialized after World War II, Japan has served as an economic model for other developing Asian countries, joined the influential Group of 7 (G-7) industrial countries as the only non-Western member, and became the second largest economy in the world.
- Finally, during the 65 years since 1945, Japan has lived in peace with its neighbors, was the world’s number-one bilateral foreign aid donor, and has made major contributions to United Nations institutions and international peace-keeping operations.

Yet successive Japanese governments have made little use of Japan’s distinctive history to fashion the kind of unique international role that Japan might play. Instead, in strategic deliberations like the Six-Party talks on North Korea, Japan was often seen as simply providing another vote for the United States, a “yes man” to George W. Bush, or a country in denial about the atrocities of its imperial past with a prime minister insistent on insulting his Asian neighbors by repeatedly visiting the Yasukuni Shrine or denying that so-called “comfort women” were coerced into sexual slavery during the war.

However, then-Prime Minister Junichiro Koizumi was obviously a man capable of the kind of decisive action that is needed. Sometimes people forget that he risked not just one but two unprecedented trips to Pyongyang to try to work out problems with Kim Jong-il.¹ And which other post-World War II Japanese prime minister would have dared to attack conservatives in his own party by putting “assassin” candidates up for election against them in their own constituencies? Koizumi’s margin of victory in the September 2005 election gave him a special opportunity, both to overrule the Upper House should they oppose his reform plans and to take significant initiatives in foreign policy, but the opportunity to improve relations with Asia was largely squandered by his insistence on visiting the Yasukuni Shrine.

When Japan attempts to gain a permanent seat on the United Nations Security Council, some United Nations member-states must ask themselves: how has Japan earned consideration for a permanent seat? What is special about Japan when compared with all the other countries that would like to achieve such an elevated strategic status? What benefit might the rest of the world gain by supporting Japan’s hopes for a permanent seat on the Security Council? I think that Prime Minister Hatoyama and his colleagues in the ruling coalition should have to answer these questions. Japan showed the way to economic prosperity in Asia in the past. Can Japan help to lead Asia toward greater strategic stability and security in the future?

Japan and Its Asian Neighbors

Hatoyama might begin by declaring that Japan is not a “normal” great power, nor does it intend to become one. He might emphasize that Japan has a unique past — not just because of its important modernization

one. He might emphasize that Japan has a unique past — not just because of its important modernization achievements, but equally because of its imperial past and the tragic facts of Hiroshima and Nagasaki — and fully intends to build a unique future. No country has a stronger claim to lead the world in peace-making and peace-keeping. Japan is importantly different, and its claim to be heard in the world could be based significantly on those differences — including, like all countries, its unique cultural traditions.

No non-Western country in the world knows better than Japan how to deal with the pervasive influence of the West. Japan has been desperately poor and conspicuously rich. Japan has known the arrogance of military victory and imperial conquest and the horror of defeat, the humiliation of foreign occupation and the exhilaration of recovery from disaster. From this rich historical experience, one might define a distinctive 21st century leadership role for Japan.

The historical analogy that comes to mind is the economic initiative taken by Japanese leaders, like Okita Saburo, in the early post-World War II years. The authors of the “East Asian economic miracle” rebuilt Japan’s ties with its Asian neighbors, this time on the basis of win-win strategies to achieve joint economic prosperity rather than by military conquest. That structure of mutually beneficial economic interdependence has deepened in each subsequent year, and stands today as the best evidence for all of its participants, China included, that regional cooperation in East Asia can really work. I think that imaginative political and strategic initiatives today are as urgent for Japan as were the economic initiatives in the 1950s and 1960s.

Of primary importance is the need to achieve reconciliation with China and Korea. Prime Minister Shinzo Abe made a good start by visiting both Beijing and Seoul during his first days in office, and Chinese Premier Wen Jiabao’s state visit to Japan in 2007 and his address to the Japanese Diet were also a great success. A shared and painful history is clearly one of the most difficult issues to deal with because of different values, national identities, and competing national interests. Prime Minister Abe, with the Chinese, established a joint history project co-headed by Kitaoka Shinichi for Japan and Bu Ping for China to undertake this difficult work.

It might help if discussions about resolving historical differences were accompanied with practical proposals for multilateral cooperation for the present and the future, like specific plans relating to the ongoing Six-Party talks or the discussions about an East Asian community. The Chinese and Koreans know that the ASEAN countries insist that Japan must be a major part of any East Asian community, and that Japan is needed as always to help pay the bills for any new undertakings in the region. But Hatoyama should put an end to simplistic “checkbook diplomacy.” In the future, Japan should pay its way, but it should require in return that its ideas be heard and its interests respected.

Territory and Energy Security

Japan has territorial disputes with all of its closest neighbors: Takeshima/Dokdo with Korea; Senkaku/Diaoyu Dao with China; and the so-called Northern Islands with Russia. In the case of Russia, 65 years after the end of World War II, Tokyo unbelievably still has not concluded a peace treaty with Moscow. The security pact with the US has permitted Japan the luxury of postponing strategic accommodations with its Asian neighbors. But this procrastination may soon be a luxury that Japan can no longer afford.

Japan imports more than 80 percent of its energy needs, but energy security is only one of the many complex military, environmental and resource insecurities that countries face today. Climate change, all by itself, may be the greatest threat to our continued existence. Certainly no individual state, no matter how powerful, can adequately manage a wide range of such insecurities alone. An effective response to the broad range of threats to national security requires a shared, multilateral approach.

With regard to Japanese and Chinese claims in the East China Sea, Mark Valencia, a specialist on resolving competing territorial claims at sea, has proposed a series of concrete and realistic options that could lead to joint Sino-Japanese development of the energy resources of the area, which would greatly benefit the two countries, both heavily dependent on energy imports.² Equally important, a joint development agreement could turn a potential confrontation, that might even escalate into a shooting war, into a win-win collaboration that might serve as a foundation for further collaborative projects.

At present, unfortunately, cooperation between Japan and its geographically closest neighbor, Russia, is even more constrained. A lingering territorial dispute over several of the Kurile Islands northeast of Hokkaido remains an obstacle to concluding a final World War II peace treaty. Moreover, when you ask Russian and

Japanese diplomats and analysts about the problem, they typically tell you how difficult it would be to make the concessions needed to achieve a resolution of the dispute.

Never discussed, at least in my experience in observing this situation, is the “opportunity cost” of lost cooperation. Think, for example, of the immense potential mutual benefit that might have been gotten over those many years from creating a positive diplomatic environment for a greater linking of Japanese capital and technology with Russia’s immense natural resources.

This dispute over the Kurile Islands is, in my opinion, a classic case of what happens when government officials limit themselves to pursuing status-quo policies of confrontation. It is especially common with respect to contested issues where the continuing confrontation is perceived to be virtually inevitable, despite the substantial benefits that mutual cooperation might provide. In other words, there is an insufficient accounting for the price exacted by the failure to resolve the conflict.

Fukuzawa Yukichi’s famous advice for Japan to turn its back on Asia in favor of the West may have been sound during the end of the 19th century, but not for the beginning of the 21st. Sixty-five years after the end of World War II, it is time for Japan to build a solid peace with its Asian neighbors.

Japan at the Six-Party Talks

Northeast Asia is one of the most volatile regions in the world, and the border between North and South Korea is the world’s most militarized, the source of continuing tension and crises since the 1953 truce that ended the Korean War. The current crisis, begun with the visit of US Assistant Secretary of State James Kelly to Pyongyang in October 2002 and charges by the US that North Korea was developing a second nuclear weapons program based on uranium enrichment (in addition to the plutonium program halted by the Agreed Framework of 1994), led to a series of meetings by the four major powers (the US, China, Russia, and Japan) with both North and South Korea, the so-called Six-Party talks. The crisis deepened when North Korea threw out the inspectors from the International Atomic Energy Agency (IAEA), resumed plutonium production, withdrew from the Nuclear Nonproliferation Treaty, launched missiles into the Sea of Japan, and finally tested its first nuclear device October 2006 — followed by a second test in May 2009.³

Strange as it may seem, this crisis is probably the best opportunity to date for the construction of a multilateral security institution in Northeast Asia. The idea is to extend the process of resolving the North Korean nuclear crisis in order to design and implement a series of bilateral and multilateral agreements to assure national security of both Koreas; to encourage their gradual, peaceful reconciliation and reunification; and to establish the strategic stability necessary for productive trade and investment. A key element would be energy cooperation focused on the exploitation of Russian resources and their transportation through the region to markets that would benefit all of the parties.

The objective would be to integrate North Korea into a new regional security institution, whether or not it is finally convinced to give up its nuclear weapons. At the least, just a freeze on nuclear weapons by Pyongyang would be enough. On that basis, a security mechanism founded on a network of bilateral and multilateral security commitments might be sufficient to contain the possibility of North Korean sales of nuclear materials to terrorists and to undercut the logic of a possible nuclear arms race that might include Japan, South Korea, or even Taiwan. Over time, security assurances and material support to North Korea might be enough to convince Kim Jong-il or his successor that he does not need a nuclear deterrent.

To achieve an acceptable resolution to the North Korean nuclear crisis, much less to construct a new multilateral security institution, would be immensely difficult, given the need to satisfy all six parties in the negotiation. Moreover, any viable security agreement must be based on trust, and there is obviously very little trust between the two key parties, the US and North Korea. However, a major advantage of a multilateral agreement over a bilateral agreement is that all of the parties have a stake in the commitments that have been made, so that if one party should fail to honor the deal, all of the other five would have cause to pressure it to comply. A cooperative-security mechanism should be constructed on a web of both bilateral and multilateral agreements in such a way that not just one or two but all parties gain from the arrangement, and all would be deprived if any member should fail to meet its commitments. In that way, trust in the process might gradually increase the bilateral trust enjoyed by its members.⁴ Japan, thus far, has been a reluctant participant in the Six-Party process, insisting that the problem of North Korean abduction of Japanese

nationals in the past be resolved before Tokyo would be prepared to make any financial contribution. However, the opportunity to build an unprecedented six-nation security community in Northeast Asia offers Japan a chance to achieve several key strategic objectives: 1) to play a major role in shaping the future of the region; 2) to construct mutually beneficial relations with Japan's neighbors; 3) to keep its key ally, the US, deeply involved in the security of the region (rather than exclude the US as would be the case under most notions of an East Asia community); and, finally, 4) to build a structure of strategic stability in Japan's immediate geographical neighborhood conducive to maintaining an environment of peace and prosperity.

How to Deal with China

China presents the greatest challenge for Japan. China's rise (whether "peaceful development" or "China threat") has been analyzed repeatedly, but only recently has the debate begun about America's relative decline, in both its hard and so-called "soft" power. Even less attention has been devoted to the relationship between China's rise and the US's decline. But that relationship, no matter how difficult it is to measure in material terms, is reshaping strategic relations around the world, particularly in East Asia. It is the major strategic transformative event of our time.

The crux of that structural shift in global power has emerged in China's relations with Japan, America's most important ally in Asia. It is there that the future of the region will very likely be decided: cooperation or confrontation. The stakes are high. Leaders in Beijing and Tokyo, responding to the changing strategic environment, will decide whether to make a future together as the major members of an East Asian community or to take sides in a renewed Cold War between the US and China. Crises over North Korea, Taiwan, the East China Sea, or a possible Japanese decision to "go nuclear" will test their willingness to work together.

Some analysts would say that Japan has very little influence on the key strategic decisions in the region, but they are wrong. As China grows in economic and political influence, and American hegemony is called into question, Japan's decisions become more central. Much of the impetus for the building of an East Asian community has come from the 10 members of ASEAN. For them, the foundation of the community should be "ASEAN + 3" — linking up with China, Japan, and South Korea. They especially want Japan to play a major role. For ASEAN, the East Asian community is a way of trying to deal with an emerging China. It could also play an important part in Japan's way of dealing with China.

After more than a decade of stagnation and deflation, and now the impact of the global financial crisis, the Japanese economy has been losing ground to China. According to the World Bank, Japan's gross domestic product (GDP) is about one-third that of the US while China's is just one-quarter. But if the current economic growth rates of the three major powers are sustained into the future, these relationships will continue to change in China's favor. So now is the most advantageous time for Japan to initiate an accommodation with its Asian neighbors.

China is presently committed to East Asian multilateralism, a strategy that Beijing is convinced is best for maintaining the stability in the region that its economic modernization requires. ASEAN wants Japan to help balance China. Russia also wants to be an important part of the region. Moscow hopes to build its participation in the Six-Party talks into a major role in the future economic development plans for Northeast Asia. Now would appear to be an ideal time to negotiate a peace treaty with Russia to formally conclude World War II, and to lay the foundation for mutually beneficial projects, linking Japanese capital and technology with Russian energy resources.

The US will be skeptical at best about regional cooperation in East Asia, as we know from its opposition in the past to both Malaysian Prime Minister Mahathir Mohamad's proposal for an East Asian Economic Caucus in the early 1990s and Japan's initiative to establish an Asian Monetary Fund to help countries in the region during the financial crisis of 1997-1998. But the US is now stretched to the breaking point militarily because of commitments in Iraq and Afghanistan, and economically by the global financial crisis. Moreover, with respect to both North Korea and Iran, the US is close to running out of viable options other than continued negotiations, because of its inability to make credible a military option or even to threaten more severe UN Security Council sanctions. As a result, the US is probably less likely today to stand in the way of regional multilateral cooperation, especially when such arrangements would not, in fact, be contrary to US interests.

Japan is a major power, and it has the potential influence of a great power. If there is to be a successful East Asian community, it will require Japanese leadership together with Chinese, because the other countries in the region do not want to have to choose between them. Moreover, if the American government in its anxiety about a rising China should opt for a Dick Cheney-type policy of confrontation, which in turn might lead to a new Cold War in Asia, Japan could decide to say “no.” Without the support of its principal ally in Asia, Washington would not be able to sustain a Cold War policy toward China for fear that doing so would press China and Japan together in an alliance against the United States — a scary possibility that has worried several US administrations. On the other hand, should Japan decide to develop a nuclear capability in response to its own fears about China and North Korea, a nuclear arms race would be inevitable, and probably a new Cold War, as well.

Japan has a wonderful opportunity to help shape events in ways that would contribute to its own interests as well as to the broader concerns of the region. None of this is incompatible with Japan’s bilateral security relationship with the US, and each of these steps would help to build a more stable Northeast Asia. This is the challenge facing Prime Minister Hatoyama and the new DPJ government of Japan.

Peter Van Ness (peter.van-ness@anu.edu.au) is a visiting fellow in the College of Asia and the Pacific at the Australian National University, and coordinator of the PeaceBuilder project on linking historical reconciliation and security cooperation in Northeast Asia (<http://asiapacific.anu.edu.au/blogs/peacebuilder/>). His most recent book is *Confronting the Bush Doctrine* (edited with Mel Gurtov).

NOTES

1) For the “Japan-DPRK Pyongyang Declaration” concluded between Junichiro Koizumi and Kim Jong-il in September 2002, see http://www.mofa.go.jp/region/asia-paci/n_korea/pm0209/pyongyang.html

2) Mark J. Valencia, “The East China Sea Dispute: Context, Claims, Issues, and Possible Solutions,” *Asian Perspective* 31:1, 2007.

3) For an important Japanese perspective, see Yoichi Funabashi, *The Peninsula Question: A Chronicle of the Second Korean Nuclear Crisis* (Washington, DC: Brookings Institution Press, 2007). For the joint statement of September 19, 2005 from the fourth round of the Six-Party talks, see:

<http://www.state.gov/r/pa/prs/ps/2005/53490.htm> For the February 13, 2007 agreement, see:

<http://www.state.gov/r/pa/prs/ps/2007/february/80479.htm>

4) Peter Van Ness, “Designing a Mechanism for Multilateral Security Cooperation in Northeast Asia,” *Asian Perspective* 32:4, 2008, pp.107-126, available online at: <http://www.asianperspective.org/articles/v32n4-f.pdf>