



Asian Security

ISSN: 1479-9855 (Print) 1555-2764 (Online) Journal homepage: <http://www.tandfonline.com/loi/fasi20>

Japan's Growing Hard Hedge Against China

Jeffrey W. Hornung

To cite this article: Jeffrey W. Hornung (2014) Japan's Growing Hard Hedge Against China, Asian Security, 10:2, 97-122, DOI: [10.1080/14799855.2014.914497](https://doi.org/10.1080/14799855.2014.914497)

To link to this article: <http://dx.doi.org/10.1080/14799855.2014.914497>



Published online: 24 Jun 2014.



Submit your article to this journal [↗](#)



Article views: 933



View related articles [↗](#)



View Crossmark data [↗](#)

Full Terms & Conditions of access and use can be found at
<http://www.tandfonline.com/action/journalInformation?journalCode=fasi20>

Japan's Growing Hard Hedge Against China

JEFFREY W. HORNUNG

Abstract: *As China accumulates more power, Japan is often overlooked as being capable of affecting China's continued trajectory because of material differences and narratives of Japan being a reactive state. Yet, Beijing's strategic planning cannot ignore Tokyo because Japan has the ability to affect the region's security environment. Feeling its presence and influence becoming relatively smaller, Tokyo has been increasingly proactive in its effort to expand its strategic space and shape the regional environment in ways conducive to its interests. A review of Japan's approach to China since 1972 reveals that it has shifted away from its traditional engagement policy toward first a soft hedge, followed by a harder hedge that continues to this day. Today's mix of partnerships and capabilities enable Japan to complicate China's freedom of action and frustrate its continued rise.*

China has been rising for roughly three decades and, in the process, accumulating economic, military, and political power. Consequently, its influence in the Asia-Pacific region has expanded. This presents the region with both opportunities and challenges. How states deal with China's rise has therefore become a focus for both policymakers and theorists of international relations. Because of an increasingly dangerous territorial dispute over the Senkaku Islands (Diaoyu in Chinese) and a growing geostrategic rivalry that accompanies the "perils of proximity," Japan's response to China's rise deserves particular attention.¹

Seeing Japan's regional presence and influence become comparatively smaller as a consequence of China's rise, Japanese policymakers have increasingly wanted to push back.² And yet, despite having significant economic power, influential diplomatic presence, and modern military assets, Japan lacks superpower capabilities like those of the United States (US). This matters because the US is often treated as the only state capable of affecting China's rise.³ Moreover, Japan is on an opposite power trajectory than China. Compared to Chinese average annual growth of 10.1% from 1990 to 2011, Japan grew at 1.1%.⁴ This resulted in China's GDP exploding from \$357 billion to \$7.3 trillion compared to Japan's creep from \$3.1 trillion to \$5.9 trillion.⁵ Future growth looks bleak given Japan's predicted population decline from 128 million in 2010 to nearly 87 million by 2060.⁶ Reflecting economic trends, Chinese defense spending grew 790% compared to Japan's 81%. According to the Stockholm International Peace Research Institute, Chinese spending increased from \$20 billion in 1990 to \$158 billion in 2012, while Japan's barely moved from \$48 billion to \$59 billion.⁷ Although Japan's military is qualitatively superior to China's, its advantage is eroding and, depending on spending

This article not subject to US copyright law.

Address correspondence to: Jeffrey W. Hornung, Associate Professor, Asia-Pacific Center for Security Studies, 2058 Maluhia Road, Honolulu, HI 96815, USA. E-mail: hornungj@apcss.org

patterns in both countries, it is questionable whether Japan can retain its advantage.⁸ Taken together, we would not expect Japan to be able to adversely affect China's rise despite a desire to do so.

Nor would we expect Japan to attempt to shape China's rise. The dominant characterization of postwar Japan has been a reactive state, unable to proactively shape its environs.⁹ According to this logic, Japan fails to undertake independent initiatives unless it is prodded by external pressure. Instead, Japan buck-passes, undertaking limited roles and relying on the US for its security.¹⁰ This leads to the conclusions that Japan will not challenge China¹¹ but instead stay in denial about China's rise, "wishing somehow it might go away."¹²

Analyses of Japan's approach to China varies. Some focus on Japan's policies during distinct periods in response to specific events, thereby overemphasizing changes/continuity.¹³ Others focus purely on security policies, which place an inordinate amount of attention on Japan's military capabilities or its US alliance, thereby missing developments in non-security, non-US spheres.¹⁴ Few works present nuanced, inter-temporal analysis, but these suffer from age, failing to incorporate recent changes.¹⁵ This article aims to fill the latter gap, addressing the questions: How has Japan's response to China's rise changed, what explains these changes, and despite expectations to the contrary, is Japan today capable of adversely affecting China's continued rise? I will answer these questions by analyzing Japan's China policy since 1972. The article argues that in response to increasing Chinese assertiveness over the past few decades, Japan's approach toward China has evolved from a pure engagement policy toward a soft hedge, followed by a harder hedge that continues today. This puts Japan in a consequential position to complicate China's freedom of action and frustrate its continued rise.

After an overview of strategies to deal with rising powers, I examine Japan's approach to China. This analysis is focused on state-to-state relations and the perception of state actors based on documents issued by the government of Japan (or together with other states), as well as elite interviews conducted by the author. I categorize Japan's approach to China into three periods, defined by the degree of Japan's engagement with and balancing of China. I argue that the evolution in Japan's approach is driven by Tokyo's desire to be more proactive against what it perceives as increasing Chinese assertiveness. From 1972 to 1996, Japan's approach was purely engagement. I then examine Japan's policies from 1996 to 2010, arguing that Japan moved toward a soft hedge. As evidence, I point to minimal efforts to externally hard balance with the US, growing attempts to soft balance with Australia and India, and a tepid reduction in economic ties with China. I then examine Japan's policies since 2010, arguing that Japan moved to a harder hedge. As evidence of this, I show Japan's concerted efforts to hard balance both internally and externally – including strengthening the US alliance and enhancing security ties with Australia and India, unprecedented efforts at soft balancing via a rapid expansion in strategic ties with states throughout Southeast Asia and Europe, and considerable reductions in economic ties with China in rare earths, foreign direct investment (FDI), and participation in the Trans-Pacific Partnership (TPP). In the final section, I argue that Japan's actions have potentially harmful implications for China's continued rise and freedom of action.

Strategies to Deal with Rising Powers

Arguably simplified, established states have a spectrum of strategies for dealing with rising powers that include two extreme options (Figure 1).¹⁶ On one extreme, they can balance to forge counter-veiling strength against the stronger or more threatening state.¹⁷ This can be pursued internally, whereby military capabilities are enhanced, and/or externally, whereby alliances are initiated or enhanced to augment one's military capabilities. Because both focus on military capabilities, these are best characterized as hard balancing. But states also pursue soft balancing, which focuses on strategic ties and "the development of political alignments and. . . diplomatic initiatives" to balance the influence of the rising state.¹⁸ At this end of the spectrum, because both strategies emphasize competitive policies with the rising state rather than cooperative ones, we would expect to see a serious commitment to contain or deter the rising power, either by military means or strategic means.¹⁹

Most scholarship treats bandwagoning as the opposite of balancing, where states align with the rising power to neutralize or limit its threat.²⁰ Essentially, bandwagoning is a strategy of weak states that aims to ensure their security by conceding power to the stronger state.²¹ This article treats engagement as the opposite.²² This is because Japan is not considered a weak state or a state without a powerful ally, two factors that precondition states to bandwagon.²³ Engagement is the opposite of balancing because it relies on cooperative policies and the promise of rewards, rather than the threat of force, to ensure one's security. As such, it makes conceptual sense to utilize engagement, which is an option available to stronger states and relies on the non-coercive cultivation of ties with the rising state to socialize it into the existing order and induce benign behavior. At this end of the spectrum, for states pursuing engagement strategies, we would expect to see a commitment to the promotion of exchanges (i.e., economic, diplomatic).

Between both extremes on the spectrum is the strategy of hedging.²⁴ Hedging consists of policies that stress both engagement and balancing.²⁵ As such, it involves a mix of cooperative and competitive policies. It seeks to induce benign behavior from the rising state through the cultivation of cooperative ties while building up one's capabilities to prepare for the possibility that the rising state may harbor malign interests. Importantly, it is a strategy available to both small and big powers.²⁶ Hedging, however, is not monolithic. It is a multiple-component strategy measured by the degrees of rejection and acceptance towards the stronger power.²⁷ That which falls closer to engagement – characterized as soft hedging – emphasizes cooperative policies that cultivate ties with the rising power. As such, we would expect a heavier priority on policies promoting economic and diplomatic ties alongside a lesser priority on policies to strengthen one's military (internal or external) or strategic ties against the rising power. Hedging that falls closer to balancing—characterized as hard hedging—emphasizes

FIGURE 1
SPECTRUM OF STRATEGIES



competitive policies that augment one's military capabilities and strategic alignments with others. Here, we would expect a heavier priority on policies to strengthen one's military or strategic ties to protect oneself against the rising state concurrent with a lesser priority on policies promoting economic and diplomatic ties with the rising power.

Engagement

Japan's traditional approach to China was engagement. With its primary security challenge emanating from the Soviet Union, from normalization of relations in 1972, Japan avoided balancing efforts of China. This is because Japan's security concerns of China were highly limited given China's restricted military capabilities.²⁸ Instead, Japan "focused on strengthening reform-minded leaders in China, assisting internal stabilization, and re-establishing China as a key bilateral trading partner."²⁹ This meant a concerted effort on deepening trade and providing Official Development Assistance (ODA) in order to integrate China into the international system.

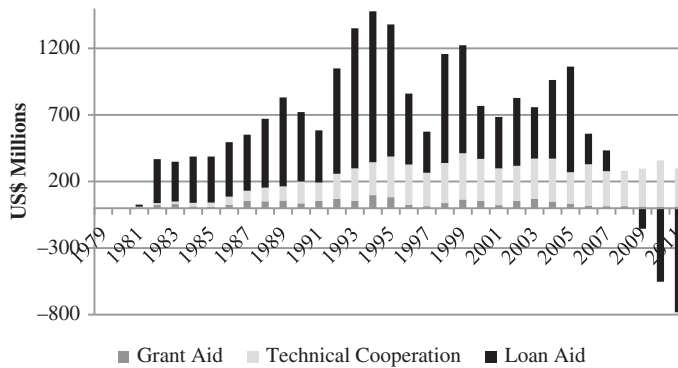
The result is a rapid rise in trade and ODA. Japan's exports rose from ¥187.5 billion in 1972 to ¥1.2 trillion in 1989, while its imports rose from ¥263.8 billion in 1973 to ¥1.5 trillion in 1989 (Figure 2).³⁰ Similarly, Japan's ODA skyrocketed (Figure 3).³¹ Starting with \$2 million in technical cooperation in 1979, by 1981, this jumped to \$13 million. The same year, Tokyo began providing \$9 million in technical cooperation and \$15 million in loan aid. By 1989, this rose to \$58 million in grants, \$106 million in technical cooperation, and \$668 million in loans. The 1989 Tiananmen Square events temporarily halted engagement, largely due to international pressure. Tokyo, however, pushed for a rapid end to global China-sanctions because of domestic pressure from its business community.³² Once lifted, Japan's trade and ODA continued. By 1995, Japanese exports totaled ¥2 trillion and imports totaled ¥3.4 trillion. ODA also grew, reaching a \$1.5 billion zenith in 1994. By 1995, Japan's ODA totaled \$83 million in grants, \$304 million in technical cooperation, and \$992 million in loans.

FIGURE 2
JAPAN'S TRADE WITH CHINA (1972–2012)



Source: Japan's Ministry of Finance.

FIGURE 3
JAPAN'S ODA TO CHINA (1979–2011)



Source: Japan's Ministry of Foreign Affairs.

Toward a Soft Hedge

Tiananmen Square had an adverse effect, however, souring China's image amongst the Japanese public.³³ Subsequent events continued to hurt its image, including the initiation of a Patriotic Education Campaign in 1991 that reinforced anti-Japanese sentiment and a 1992 law that allowed China to assert sovereignty over disputed territories. With the Soviet Union no longer in existence, China's 1995 nuclear tests and 1995–96 military exercises near Taiwan proved to be the “wake-up call” for Japanese policymakers.³⁴ The events of 1995–96 were interpreted by Tokyo as an indication of China's growing appetite to assert its power.³⁵ This provoked Tokyo to alter its approach to China. Consequently, over the next 14 years, Japan slowly moved away from engagement as China became more assertive. Yet, while it maintained strong economic ties, Japan showed constraint in its balancing efforts, indicative of a softer hedge.

Reflecting continued emphasis on engagement, trade grew, so much so that China became Japan's largest trading partner in 2007.³⁶ By 2010, exports and imports each totaled ¥13 trillion. Still hoping to ensconce China in international institutions, Japan worked with China to establish the Chiang Mai Initiative and supported China's entry into the World Trade Organization. After a nadir in ties in the early 2000s due to both sides posturing on historical issues, Prime Minister Shinzo Abe worked to repair relations under a “mutually beneficial relationship based on common strategic interests.”³⁷ His successors continued this, signing a joint resource development agreement in the East China Sea (ECS) and a joint statement on their mutually beneficial relationship.³⁸ The Democratic Party of Japan administration's first premier Yukio Hatoyama even desired to turn East Asia into a “lake of fraternity” that included China.³⁹

Yet, China's behavior sparked debates in Tokyo about whether engagement was inducing benign behavior. This included increased Chinese activity in the airspace and waters surrounding the Senkaku Islands, submerged submarines in territorial waters, naval vessels passing through the Tsugaru Strait, and ship-borne helicopters buzzing Japanese vessels. From the mid-1990s onward, internal debates over engagement

intensified and, over time, Japanese bureaucrats and lawmakers who saw China as assertive started to outweigh those who favored accommodation.⁴⁰ With Japan's economic stagnation, assistance to China was criticized, resulting in wide fluctuations in ODA (Figure 3).⁴¹ By early 2005, Tokyo decided to terminate its yen loans to coincide with the Beijing Olympics. Although grant aid and technical cooperation continued, Tokyo stopped the issuance of new loans in 2007 and began to reduce grants, signifying a small step away from engagement.

Indicative of a softer hedge, Japan's internal balancing was limited and external balancing constrained. The Ministry of Defense (MOD) kept defense spending virtually flat, reduced Ground Self-Defense Force (GSDF) personnel and the number of aircraft and destroyers, retired old equipment, made modest frontline equipment upgrades, and gave little focus to defending offshore islands.⁴² At the same time, because of increasing Chinese regional influence and a desire to "make China behave" (as well as North Korea), Japan needed to strengthen relations with the US.⁴³ As such, Tokyo began some enhancements to its US alliance. The allies explicitly referred to China for the first time in a 1996 declaration, followed by new defense guidelines in 1997 which included language committing Japanese rear-area support for the US in "situations in areas surrounding Japan."⁴⁴ Additionally, they initiated the Defense Policy Review Initiative to enhance US power projection from bases in Japan to respond to regional threats. Realignment of US forces in Japan was integral to this, but politics in Okinawa prevented movement on a core element to realignment: Marine Corps Air Station Futenma. Japan also agreed to a joint research on ballistic missile defense (BMD) and closely aligned its foreign policies to the US, including the war on terror.

Tokyo also began to focus on limited soft balancing. The strategy thrived under the concept of "values diplomacy," which involved an emphasis on "universal values" such as democracy, freedom, and human rights.⁴⁵ This meant targeting countries along an "arc of freedom and prosperity" that Japan believed shared similar values and interests. The nature of this invariably excluded China. Yet, according to a former diplomat, "nobody was fooled" by the strategy, "everyone knew [it was] driven by China."⁴⁶ This was because, by the mid-2000s, Tokyo was increasingly anxious over Beijing's opaque military modernization and maritime activities and the threat these posed to Japan's territorial integrity and relative regional standing.

Specifically, Japan targeted Australia and India. With Japan's strategic space under pressure, policymakers increasingly viewed these democracies through a China prism, therefore desiring strategic alignment with both. Australia's alliance with the US appealed to Japan. Because the Maritime Self-Defense Forces (MSDF) cannot regularly operate outside the ECS, Tokyo looked to India to ensure Japanese vessels safe passage, whether from pirates or Chinese ships, from the Malacca Strait to the Persian Gulf.⁴⁷ But each of these relationships developed differently.

Prior to the mid-2000s, Tokyo-Canberra security ties were limited to cooperation within multinational operations. This included Cambodia, Timor-Leste, the 2004 Indian Ocean tsunami relief efforts, and Iraq. Australia's motivations for closer Japanese ties came from its growing strategic interest in East Asia, which included its desire to fight piracy, nuclear proliferation, and promote inclusive regional institutions.⁴⁸ As part of this, Japan became strategically significant.⁴⁹ By the

mid-2000s, however, despite statements by Australian officials that closer ties were not aimed at China,⁵⁰ Canberra's anxiety started to surface. This was apparent in Australia's 2007 Defense Update that stated the pace and scope of China's military expansion risked regional instability.⁵¹ Similarly, its 2009 White Paper warned "the pace, scope and structure of China's military modernization have the potential to give its neighbors cause for concern."⁵²

The growing China anxiety helped Japan's push for closer strategic ties. After broadening ties to a Comprehensive Strategic Relationship in 2006,⁵³ they signed the 2007 Joint Declaration on Security Cooperation.⁵⁴ It was unprecedented in that it was Japan's first security cooperation agreement with a country other than the US. It not only provided structure to various lines of interaction, it established a regular 2+2 Dialogue between their Foreign and Defense Ministers, which was Japan's first non-US and Australia's third (after the US and UK). A subsequent action plan outlined specific means for implementing the Joint Declaration, including discussions between the Australia Customs and Japan Coast Guard (JCG) on joint exercises, personnel exchanges, and training opportunities.⁵⁵

This set the stage for growth. In June 2008, they elevated ties to a Comprehensive Strategic, Security and Economic Partnership.⁵⁶ That December, they initiated discussions on an information security agreement (ISA) and, for the first time, explicitly stated the importance of open sea lines of communication (SLOCs).⁵⁷ Moreover, they revised a 2003 Memorandum on Defense Exchange to further develop military ties by promoting high level exchanges (i.e., defense ministers, SDF-Australian Defense Force chiefs of staff, and chiefs of staff of individual services); working level exchanges; and unit-to-unit exchanges.⁵⁸ In May 2010 they broke new ground by signing an Acquisition and Cross-Servicing Agreement (ACSA) – Japan's first beyond the US – establishing a framework for providing supplies and services (i.e., not weapons or ammunition).⁵⁹

Concurrent with these efforts, Tokyo reached out to New Delhi. India prioritized closer ties with Japan as part of its Look East strategy.⁶⁰ But because of India's 1998 nuclear test, closer ties had to wait. After the September 2001 terrorist attacks in the US, they pledged to cooperate on regional security issues such as terrorism, nuclear non-proliferation, and the security of maritime traffic.⁶¹

Yet, like Australia, while not initially motivated by China, India started to view China with anxiety because the strategic gap with China was increasing.⁶² Not only did China expand its naval capacities in Sri Lanka, Pakistan, and Bangladesh, but India also found itself contending more with Chinese support of a nuclear Pakistan.⁶³ Because its navy's power projection is limited to the Indian Ocean, it prefers to work with countries like Japan to maintain regional stability. New Delhi also recognized areas for improvement in its navy that Japan can provide (i.e., anti-submarine warfare, mine-counter measures, and board, search, and seize operations).⁶⁴

This enabled Japan to pursue strategic ties. In 2005, they agreed to enhance security dialogue and cooperation that included annual summits, regular dialogue in security and defense fields, strengthened service-to-service exchanges, closer cooperation between coast guards and maritime agencies, and, for the first time, naval exchanges.⁶⁵ The following year, they agreed to hold regular defense minister meetings, Defense Policy Dialogues (Defense Secretary/Administrative Vice Minister level),

and exchanges of Chiefs of Staff, Joint Staff level, staff level of each service, and naval ship visits.⁶⁶ All these resulted in stronger strategic ties. Their relationship evolved in 2006 when they elevated ties to a Strategic and Global Partnership.⁶⁷ Included in this was the institutionalization of Strategic Dialogue (Foreign Ministers level) and regular Policy Dialogue (National Security Advisor of India and Japanese counterpart); an agreement to enhance maritime cooperation via capacity building, technical assistance, and information sharing; regular coast guard exchanges and combined exercises; and an agreement to undertake a naval exercise (Japan's inaugural participation in Malabar exercises occurred in September 2007). The forward momentum culminated with a Joint Declaration on Security Cooperation in 2008.⁶⁸ Tamer than the Japan-Australian counterpart, it nevertheless signaled a desire for coordinated responses to issues and delineated the expanding number of mechanisms for dialogue and cooperation.⁶⁹ Further strengthening followed. In 2009, they inaugurated a Maritime Security Dialogue, resolved to strengthen bilateral military exercises,⁷⁰ and adopted a detailed action plan identifying nine areas of cooperation based on the joint declaration.⁷¹ This included exercises, exchanges, and training on issues such as anti-piracy, military cooperation in anti-piracy activities, and joint coast guard exercises. They also agreed to an annual Strategic Dialogue and Defense Policy Dialogue and establish a 2+2 Dialogue (Foreign Ministry + Defense Ministry subcabinet/senior officials). Importantly, they agreed to hold annual bilateral naval exercises and participate as observers in major army and air force exercises.

Viewing the changes from 1996–2010 in their totality, Japan pulled away from its traditional engagement policy as a response to increasing assertiveness by China. It cut China-bound ODA, enhanced hard balancing efforts with the US, and pursued soft balancing with Australia and India to increase their strategic ties. Yet, demonstrating an emphasis on engagement, trade continued rising, external hard and soft balancing was limited, and Japan forwent internal hard balancing. Given the absence of concerted hard or soft balancing and the priority on continued engagement, Japan's approach to China during this period is best characterized as soft hedging.

Towards a Harder Hedge

Like the previous period, increasing Chinese assertiveness preceded Japan's next evolution. This included Beijing's decision to unilaterally drill for gas in the ECS despite a joint cooperation agreement, expanded maritime patrols in and around the waters of the Senkaku Islands, and naval vessels shadowing the maritime patrols and circumventing Japan. For Tokyo, the turning point came on September 7, 2010 when the Chinese fishing trawler *Minjinyu 5179* collided with two JCG vessels. Following Japan's arrest of the captain, Beijing cancelled official meetings and cultural exchanges, demanded apologies and compensation for holding the captain, and repeatedly summoned Japan's ambassador to protest (including the early morning hours). Additionally, Beijing ceased Japan-bound rare earths' exports and subjected Japanese imports to lengthy customs inspections.

Alarm bells sounded in Tokyo. Throughout the 2000s, Japanese leaders had been suspicious of Chinese military spending because of the lack of transparency. Still, they favored engagement policies under the assumption they would encourage Beijing to

become a responsible stakeholder in the international system. Tokyo could live with opaqueness as long as Beijing followed that assumption. The collision was the final straw, with policymakers feeling that “we won’t take it anymore.”⁷² It forced policymakers “to look at the reality of China.”⁷³ One policymaker described the event as demonstrating that China was nothing but a “big bully.”⁷⁴ In fact, the 2010 collision triggered a pervasive view amongst officials throughout Tokyo that Japan “has been pushed enough and too long” by China.⁷⁵ This resulted in another shift in Japan’s approach to China, this time toward a harder hedge. Although serious thought began after the collision, most changes had to wait until after the March 11, 2011 disasters. Consequently, these efforts began under Prime Minister Yoshihiko Noda and continue under his successor Shinzo Abe.

Hard Balancing: Internal

Changes in Japan’s defense posture began with revisions to the National Defense Program Guidelines (NDPG) in December 2010. Under the notion of “dynamic defense force,” policy shifted from Japan’s traditional passive deterrent “basic defense force” to one focused on “readiness, mobility, flexibility, sustainability, and versatility.”⁷⁶ The NDPG also shifted focus away from Cold War-era concerns of a northern invasion to protecting Japan’s southwestern islands, which currently suffer “a vacuum of force.”⁷⁷ Abe revised the NDPG in 2013, but maintained the focus of the 2010 document while emphasizing the jointness of forces under the notion of “dynamic joint defense force.” Importantly, Abe increased defense spending for the first time in 11 years (0.8%) for 2013 and the biggest increase in 22 years for 2014 (2.8%). The changes these documents initiated require enhancements in intelligence, surveillance, and reconnaissance (ISR), anti-submarine warfare (ASW), and island defenses that the increased defense spending supports.⁷⁸

Tokyo is focusing heavily on ISR improvements. The MOD allocated money to develop a fixed-air defense radar on Okino Erabu Island with FPS-7 and convert the existing defense radar on Miyako and Takahatayama Islands to the same system.⁷⁹ Similarly, to provide visibility of Japan’s farthest point – Yonaguni Island – the MOD developed plans to deploy a mobile 3D radar device and coast surveillance unit for early detection of ships and aircraft. In an effort to improve air capabilities, the MOD seeks to convert the central computing device and install electronic warfare support measures in the Air Self-Defence Force’s (ASDF) E-767s, develop a servicing foundation for E-2Cs at Naha Air Base to ensure continuous aerial surveillance, and acquire three unmanned aerial vehicles (UAV).

Tokyo also is improving ASW capabilities. The most visible aspect is two new 19,500-ton helicopter destroyers (DDH) (the first, *Izumo*, will be commissioned in 2015) and the acquisition of P-1s as the successor to Japan’s P-3Cs. *Izumo* is Japan’s largest ship, capable of carrying 14 helicopters, thereby increasing surveillance capabilities. P-1s, with improved flight performance, advance the MSDF’s capabilities in submarine detection and identification, information processing, and striking. The MSDF is also set to acquire two new types of helicopters: the MCH-101 minesweeping helicopter (with tow radars enabling submarine searches) and the SH-60K patrol helicopter (designed for transport on ships like *Izumo*).⁸⁰ Additionally, the MSDF

is acquiring new technology to improve its ability to find submarines and enable its submarines to avoid detection.

Tokyo is also improving the SDF's ability to defend outlying islands and the airspace and waters surrounding Japan and rapidly respond to contingencies. For the MSDF, this includes new Aegis destroyers and Soryu-class submarines with enhanced X-band satellite communications capabilities and torpedo countermeasures. New weapons are also being developed to improve lethality. This includes a ship-to-ship missile with improved guidance precision and extended range as a successor to the Type-90 missile and a new generation submarine-launched torpedo to upgrade the existing Type-89 heavy weight torpedo as a means to respond to advancements in torpedo deception devices and declined sensor detection range. The ASDF is set to acquire stealth F-35A fighters, improve the defense capabilities of existing F-15s, improve air-to-air combat capabilities of existing F-2s, and add Joint Direct Attack Munitions functions to F-2s, thereby increasing munitions accuracy. Additionally, the MOD increased fighter squadrons at Naha Air Base from one to two. Finally, in addition to considering deploying units to outlying islands, the GSDF is acquiring new mobile missile systems to defend against foreign assets in territorial waters and airspace. This includes the Type-11 short-range missile to defend against aerial attacks and the Type-12 and improved Type-88 surface to ship missiles to defend against sea attacks.

Because these islands are separated by water, the ability to move troops is crucial, including retaking captured islands. This necessitated the acquisition of CH-47JA helicopters, US-2 rescue amphibian seaplanes, a next-generation rescue helicopter to replace the UH-60J, and Type-96 armored personnel carriers that can operate on land with poor infrastructure. Additionally, the MOD ordered 17 MV-22 tilt-rotor aircraft that can be operated from the DDH. The biggest change is the establishment of an amphibious unit in the GSDF's Western Army Infantry Regiment—charged with defending these islands. By 2015, a 3,000-strong unit is expected.⁸¹ This growing force has already conducted field-training exercises with the US Marine Corps and is set to obtain 52 amphibious assault vehicles over the coming years.

Hard Balancing: External

Concurrent with Japan's robust internal hard balancing is its significant external hard balancing with the US. This is fortuitous given increased US interest in the Asia-Pacific under its rebalance strategy and Japan's special place in the strategy.⁸² Capitalizing on a shared interest in stronger relations, the allies have dramatically upgraded security ties. To enhance interoperability, readiness, and decision making, they have pursued a number of joint efforts. This includes a joint air defense headquarters at Yokota Air Base, a joint headquarters for the US Army and GSDF at Camp Zama, joint/shared use of facilities, and joint training and exercises. Tokyo also made progress toward resolving the Futenma relocation issue, thereby ensuring a more politically sustainable US presence in Okinawa.⁸³

To meet a list of security concerns that now explicitly includes China, the allies aimed to upgrade their alliance in October 2013.⁸⁴ This included enhancing their BMD capabilities through the deployment to Japan of a second X-Band radar system and more advanced US assets that include MV-22 tilt-rotor aircraft, P-8 maritime patrol

aircraft, F-35B fighter jets, and the Global Hawk UAV.⁸⁵ The allies also agreed to cooperate in fields in which China is increasingly active, notably cyber and space. Most significant are plans to revise the 1997 defense guidelines as a response to China's increasing military power.⁸⁶ Revisions are expected to expand their roles and missions and strengthen jointness.

Japan is also taking primordial steps toward hard balancing with Australia and India alongside continued soft balancing efforts. Noda focused Japan's relationship with Australia to China's rise and stronger ties.⁸⁷ His government concluded an Information Security Agreement with Canberra, laying the framework for information sharing.⁸⁸ Importantly, in September 2012, their foreign and defense ministers explicitly referred to cooperation in the scope of China for the first time.⁸⁹ While they agreed to cooperate on supporting China's "responsible and constructive participation in the international rules-based order" and encourage "improved openness and transparency with respect to China's military modernization and activities," like Japan-US ties, they expanded cooperation into fields in which China has increasingly become active, including cyber, space, and capacity building in the South China Sea (SCS) and Pacific Islands. Abe continues this. Their governments held talks that included discussions on the ECS and relations with China⁹⁰ and agreed to collaborate on issues surrounding the SCS.⁹¹ Significantly, they completed their domestic procedures to enter into force the ACSA (January 2013) and ISA (March 2013), both necessary for operational defense cooperation, and are negotiating Japan's provision of advanced submarine technology to Australia. Australia today views Japan as its "best friend in Asia."⁹²

Relations with India have also grown. Apart from a new Cyber Dialogue and Maritime Affairs Dialogue, there were reports in November 2012 that Singh and Noda would start bilateral discussions on the SCS.⁹³ Because their summit was cancelled, however, this went unrealized. In November 2011, their Defense Ministers agreed to items to realize in 2012, including a bilateral navy exercise, army staff talks, and air force staff exchanges.⁹⁴ The bilateral exercise – their first – was held in Japan's Sagami Bay with the aim to improve the tactical combat skills of the MSDF and promote defense cooperation and exchange with the Indian Navy.⁹⁵ In May 2013, in line with Singh's desire to grow defense and security dialogue, military exercises, and defense technology collaboration with Japan,⁹⁶ Abe and Singh agreed to a joint working group to supply India with 15 of Japan's US-2 amphibious seaplanes and to conduct bilateral naval exercises on a regular basis with increased frequency.⁹⁷ In a further sign of deepening ties, in January 2014, they agreed to strengthen defense cooperation, launch regular consultations between national security advisors, and hold more bilateral naval and coast guard exercises.⁹⁸

Soft Balancing

At the same time that Japan hard balances (both externally and internally), the MOD and Ministry of Foreign Affairs (MOFA) have made concerted soft balancing efforts with countries that share concerns regarding China, particularly maritime and sea powers.⁹⁹ Like previous efforts with Australia and India, Japan's aim is to develop closer strategic ties.

Japan's efforts have focused on Southeast Asia, where countries are embroiled in territorial disputes with China, in particular Vietnam and the Philippines, two countries policymakers felt shared similar security concerns with China.¹⁰⁰ But Japan is strengthening strategic ties with states throughout the world, increasing its leverage to "push China" toward more acceptable behavior.¹⁰¹

Security issues were not a focus for Tokyo-Manila ties until after the 2010 collision.¹⁰² After becoming premier, Noda elevated ties to a Strategic Partnership, understanding Manila's increasing China concerns. They agreed to common strategic interests (like SLOC safety) and to regularize summit/ministerial meetings, convene multilayered policy dialogues, strengthen bilateral cooperation between maritime safety and defense authorities, and enhance coordination between all maritime safety authorities.¹⁰³ In 2013, they agreed to further deepen their Strategic Partnership, bolster maritime cooperation, and work closer together to address increasing security challenges.¹⁰⁴ By July 2013, Abe unveiled a plan to provide Manila with ten patrol ships and agreed to various security exchanges and cooperation initiatives.¹⁰⁵ The ships, part of Japan's capacity building efforts, represent a change from its previous focus on dispatching personnel to the Philippine Coast Guard to engage in education and training.¹⁰⁶

Relations with Vietnam followed a similar trajectory. Despite Abe's first administration elevating their relationship to a Strategic Partnership, their focus remained on non-security issues.¹⁰⁷ This changed in 2010 when they agreed to launch a regular 2+2 Dialogue between their vice-foreign ministers and defense director-generals.¹⁰⁸ In 2011 Noda and Prime Minister Nguyen Tan Dung issued a joint statement with shared strategic interests and agreed to strengthen their strategic dialogue.¹⁰⁹ Agreeing on the importance of close ties in dealing with China, their defense ministers signed a memorandum to enhance cooperation by agreeing to regular defense vice-ministerial-level talks, ministerial visits, and military exchanges.¹¹⁰ Abe continues this, agreeing with Dung to further advance their Strategic Partnership, strengthen cooperative ties, and begin talks on providing patrol ships to Vietnam's Coast Guard.¹¹¹

Japanese efforts with other Southeast Asian countries followed. With Singapore, before 2010, cooperation was limited to anti-piracy efforts. Then, following China's assertiveness, Singapore and Japan held dialogues to discuss regional and global issues relating to maritime security, such as freedom of navigation.¹¹² Singapore's primary concern is maintaining free and stable SLOCs. With Japan saying it wants to play an active role in regional peace, Singapore expressing hope for Japan's leadership,¹¹³ and leaders in both countries agreeing to strengthen cooperation in various fields (including security),¹¹⁴ Chinese behavior that threatens SLOCs will drive Singapore and Japan closer together.

The same pattern is found in Japan's relationships with Indonesia and Thailand. Although Japan-Indonesia ties were characterized as a Strategic Partnership in 2006, their focus remained on piracy and disaster management.¹¹⁵ This was the logic behind Japan's donation of three patrol ships in 2007.¹¹⁶ It is also behind Japan's capacity building efforts to strengthen Indonesia's maritime capabilities.¹¹⁷ But following Chinese assertiveness in the SCS, Tokyo and Jakarta began holding ministerial-level discussions (i.e., Strategic Dialogue; Defense Ministers' Dialogue) and agreed to increase

cooperation between defense authorities.¹¹⁸ By late 2013, they agreed to further strengthen their strategic partnership and communications between their foreign and defense authorities.¹¹⁹ And while Japan's Strategic Partnership with Thailand only began in 2012, Noda and his counterpart Yingluck Shinawatra committed themselves to address bilateral, regional and international issues, including maritime security and maritime safety.¹²⁰ Relations continue to deepen under Abe. He and Shinawatra have discussed cooperation on SCS issues,¹²¹ recognized the need to further advance their strategic partnership,¹²² and agreed to strengthen security cooperation, including joint training between their militaries.¹²³

Japan is also focusing on Europe. Noda's decision to relax Japan's ban on the joint development or production of defense equipment with others opened up one avenue for cooperation. Four months after his decision, Japan signed a Defense Cooperation Memorandum with Britain over the joint development of weapons and came together in various security areas, including a Foreign Minister-led Strategic Dialogue, initiating negotiations on an ISA, and the exploration of joint exercises and training.¹²⁴ Abe's government signed a Defense Equipment Cooperation Framework and an ISA.¹²⁵ Abe also strengthened ties with France, recognizing its importance in the Pacific. During a summit with President Francois Hollande, they agreed to establish a Minister-level 2+2 Dialogue, create a forum to deliberate export controls of civilian items with military applications, and discuss joint development of defense equipment.¹²⁶ These efforts are expected to continue given Abe's desire for Britain and France "to stage a comeback in terms of participating in strengthening Asia's security."¹²⁷

These relationships are reinforced by stronger Japan-NATO ties. Although this relationship is not new,¹²⁸ Abe broke new ground by signing a joint political declaration delineating shared strategic interests in promoting peace, stability, and prosperity through a rules-based international order.¹²⁹ This includes areas where China is active, such as cyber and maritime security. Because these are areas of concern for Japan and because NATO views stability in the Asia-Pacific region as important, the potential exists for more cooperation in Asia.¹³⁰

Tokyo is leveraging these new strategic ties to create a unified understanding on rules regulating the maritime domain. Since 2010, as a response to China's excessive claims in the SCS based on Beijing's interpretation of the UN Convention on the Law of the Sea (UNCLOS), Japan has vigorously promoted legal interpretations of maritime law based on its interpretation of UNCLOS. This despite the fact Japan does not have any territorial claims in the SCS. The result is a strengthening regional legal interpretation of the maritime domain different from China's. Given growing ties with Canberra and New Delhi, it is no surprise to see UNCLOS emerge in bilateral documents. In Joint Statements or 2+2 Dialogues, Noda's government pushed for references to universally agreed-upon principles of international law, including UNCLOS.¹³¹ Abe continues this.¹³² Importantly, both premiers have vigorously pushed for similar language with new partners.

This first appeared in a September 2011 Joint Statement with the Philippines, where the peace and stability of the SCS is said to be vital to both.¹³³ In it, they agreed on the importance of protecting "freedom of navigation . . . and compliance with established international law including the UNCLOS." A month later, when Noda

met Vietnamese Premier Dung, they agreed verbatim to the Japan-Philippine Joint Statement. Going one step further, they “welcomed the adoption of the Guidelines for the Implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC)” and called for its full implementation and “the early formulation of a Code of Conduct (COC) in accordance with established international law.”¹³⁴ Abe’s government continues these efforts.¹³⁵ In what is perhaps the most explicit, public critique of China, Abe and Dung agreed to “oppose changing the status quo with force in the South China Sea and that the rule of law, including related international laws, was essential.”¹³⁶

Similar language has emerged in documents with other Southeast Asia partners. The 2012 joint statement with Thailand stipulates that promotion and deepening of cooperation on maritime issues would be in accordance with universally agreed principles of international law, including UNCLOS.¹³⁷ Abe explicitly tied Japan to the SCS by telling his Thai counterpart that the SCS was a common concern to all.¹³⁸ Despite UNCLOS not appearing in official documents, when Noda met with Indonesia’s Susilo Bambang Yudhoyono in June 2012, they identified the SCS as a matter of common interest and that all countries concerned should comply with international law.¹³⁹ When Abe met him in 2013, they agreed on the importance of international laws, including UNCLOS.¹⁴⁰ When Noda met Singapore’s Premier Lee Hsien Loong in November 2011, they agreed on the need to adhere to international law and UNCLOS.¹⁴¹ They reiterated this in September 2012, agreeing the SCS was a concern for the international community and that it was important to observe international laws like UNCLOS.¹⁴² Abe and Lee have agreed on the importance of settling the SCS dispute peacefully on the basis of international law, like UNCLOS.¹⁴³

Japan has even expanded these efforts multilaterally. At the November 2011 Japan-Association of Southeast Asian Nations (ASEAN) summit meeting, the leaders released the Bali Document, their first joint declaration since 2003.¹⁴⁴ In it, maritime security emerged as a means to strengthen cooperation and they agreed, for the first time, to deepen cooperation “in accordance with universally agreed principles of international law such as freedom of navigation, safety of navigation, unimpeded commerce and peaceful settlement of disputes, including the 1982 UNCLOS and other relevant international maritime law.” Additionally, the document used language verbatim to Japan’s Vietnam statement regarding the DOC and the hope for the conclusion of a COC so as to contribute to “safety of navigation in and over-flight above the South China Sea, with adherence to international law.” During the subsequent East Asian Summit (EAS) meeting, Noda advocated SCS discussion, pressing claimant states to seek a peaceful resolution “based on international law”¹⁴⁵ and proposed creating an East Asia maritime security forum where officials and experts can meet to discuss and establish Asia’s maritime order.¹⁴⁶ Abe continues these efforts with the ASEAN, not only securing reference to UNCLOS, but rallying support to criticize China’s November 2013 unilateral establishment of an Air Defense Identification Zone in a joint statement of a special ASEAN-Japan commemorative summit.¹⁴⁷

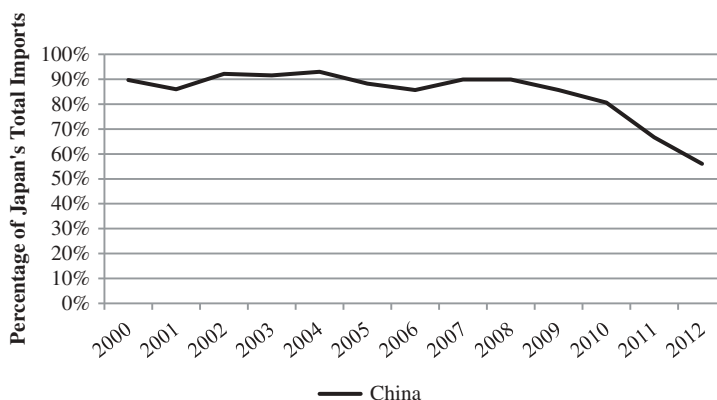
Japan’s efforts have also expanded to Oceania where, since 1997, Japan hosts the Pacific Islands Leaders Meetings (PALM) every three years. Previous meetings focused on issues like fisheries, human security, environment and climate change, and

sustainable development, but Japan crafted two changes in the 2012 iteration (PALM 6) in reaction to China's increased regional clout. The first was putting maritime issues on the agenda for the first time, "recognizing the role of international law for the maintenance of peace and security in the Pacific Ocean" and underlying the importance of UNCLOS for maritime order.¹⁴⁸ The second was getting the US involved.¹⁴⁹ Both are important for Japan because China has become increasingly active in the Pacific Islands, expanding its economic influence and securing natural resources. Japanese diplomats see the region as split into a pro-US sphere and a pro-China sphere.¹⁵⁰ Japan's PALM 6 efforts therefore intended to send a message to China that it cannot operate freely in the region.

Reduced Engagement

Importantly, in addition to the concerted hard and soft balancing efforts, Japan has begun to reduce its economic ties with China, further indication of its move toward a harder hedge. While trade remains robust (Figure 2), the percentage of Japan's total exports to China has fallen from 19.4% in 2010 to 18.1% in 2012, while ASEAN's has risen from 14.6% to 16.2%.¹⁵¹ China has also fallen as the most popular production site for Japanese companies, overtaken by ASEAN countries.¹⁵² Importantly, since 2010, Japan's FDI into China has been superseded by an acceleration of FDI into ASEAN, making ASEAN the second most common destination for Japanese FDI (after the EU).¹⁵³ Nowhere is Japan's shift away from engagement more prevalent than the rare earths trade. China holds a near monopoly, producing over 95% of the world's supply.¹⁵⁴ From 2000 until 2009, Japan's reliance on China never fell below 85% (see Figure 4).¹⁵⁵ This made Japan extremely vulnerable. After the 2010 collision, Beijing suspended Japan-bound exports.¹⁵⁶ This lasted until November, partially explaining the sudden drop to 75.13% in the remaining three months of 2010.

FIGURE 4
PERCENTAGE OF JAPAN'S RARE EARTHS IMPORTS FROM CHINA (2000–12)



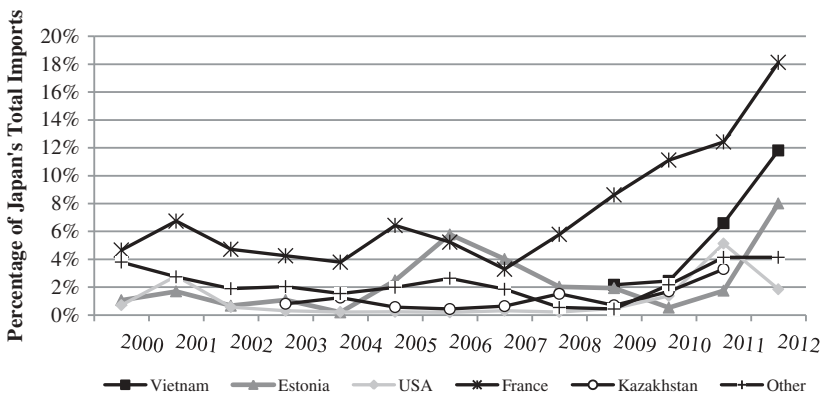
Source: *Zaimusbo Boueki Toukei* (Japan's Ministry of Finance Trade Statistics Database).

Immediately, Japan reduced its reliance on China. In 2011, the percentage of Japan's rare earths from China fell to 66.67%. In 2012, it fell to 56.06%. Imports from France, Vietnam, and Estonia rapidly rose (Figure 5).¹⁵⁷ If continued, this reduction is on track to meet the stated goal of then-Minister of Economy, Trade, and Industry Yukio Edano in November 2012 that Japan would reduce its reliance on China to 50% by 2013.

This was possible because of Japanese efforts. Starting in November 2010, Tokyo and private Japanese companies set out to secure supplies by signing long-term agreements with companies in Vietnam, Kazakhstan, Australia, and India. The Indian agreement alone promises to supply roughly 10–15% of Japan's demand.¹⁵⁸ Japan is also seeking partnerships with companies in Myanmar, Mongolia, Canada, Brazil, and Serbia. Japan has also launched projects to develop technologies for recycling rare-earth elements from used high-tech components and develop materials to use as substitutes. Both efforts promise to reduce China's market influence.

Japan is also seeking to shape China's trade behavior through the TPP. In November 2011, Noda expressed an interest in joining but, due to strong resistance from his party, did not join. Yet, this enabled Abe to declare Japan's entry, stressing "If we miss this opportunity, it would immediately mean that we would be left out of setting global regulations" on free trade."¹⁵⁹ While there is an economic rationale for joining that includes the advancement of structural reforms of some industries (i.e., agriculture) and avoiding marginalization from trade agreements being concluded by its neighbors, China dominates Japan's motivation.¹⁶⁰ According to Abe's National Security Advisor Shotaro Yachi, Japanese policymakers see the TPP as a chance to set the rules that will bind trade to aid Japan at a time when China's economy appears unable to join.¹⁶¹ The TPP is a means to shape China's rise in a way beneficial to Japan, specifically, to encourage China to abide by the regional order under which Japan prospers.¹⁶² Noda's special advisor, Akihisa Nagashima, believed the TPP would "create a strategic environment where China would see Japan as a formidable neighbor that cannot be pushed around" and through creating trade rules, "Japan and the US will foster order" that China will have to abide.¹⁶³

FIGURE 5
PERCENTAGE OF JAPAN'S RARE EARTHS IMPORTS WITHOUT CHINA (2000–12)



Source: *Zaimusho Boueki Toukei* (Japan's Ministry of Finance Trade Statistics Database).

Taken together, post-2010 changes indicate a further evolution in Japan's approach to China. Concurrent with significant external hard balancing with the US and primordial efforts with Australia and India, Japan pursued concerted internal hard balancing and significant soft balancing throughout Southeast Asia, Europe, and Oceania. Importantly, Japan has forgone efforts to deepen economic ties with China and instead began to withdraw or challenge it. Japan's approach during this period is therefore best characterized as hard hedging.

Possible Implications for China

Despite the expectation that Japan cannot affect China's rise, Beijing cannot ignore Tokyo's hard hedge. Japan's ability to affect China comes from the latter's need for a stable international environment for continued development. Part of this is convincing others that it will not bully its way while it rises. In other words, that China follows the path of "peaceful development."¹⁶⁴ If China's neighbors believe otherwise, and increasingly unify behind this concern, the regional environment will not be conducive to China's rise. This is why Beijing embarked on a charm offensive to change its image abroad "from threat to opportunity, from danger to benefactor."¹⁶⁵ Essentially, to portray itself as "a benign, peaceful, and constructive actor."¹⁶⁶ Around 2008, however, this changed. Chinese military and maritime assets increasingly harassed ships and aircraft near territory it claims in the SCS and ECS. China also revived its claim to the Indian state of Arunachal Pradesh, designated the SCS as a "core national interest" and pressured ASEAN states to sever informal relations with Taiwan.¹⁶⁷ Concurrently, it actively targeted Japan, as outlined above. While scholars debate whether this behavior represents new assertiveness, regional actors confronting it perceived it as such.¹⁶⁸ This provided fertile ground for Tokyo to proactively establish new strategic ties, strengthen existing security ties, and build up its own military.

Japan's four-decade evolution arriving at today's harder hedge impacts all dimensions of China's rise, making it very much a consequential power.¹⁶⁹ Economically, Japan's reduced engagement hurts China. The push to dilute China's rare earths monopoly and reduce its China-bound trade and FDI strips crucial development resources from China that it requires. Instead, these are being directed to ASEAN economies. The TPP is perhaps more critical as it not only sets rules that will benefit Japan, but Japan's participation increases the TPP's significance, providing crucial centrifugal force necessary to pull in other economies and thereby diminish the importance of the China-led Regional Comprehensive Economic Partnership.

Diplomatically, Japan's growing strategic relationships throughout Asia and Europe give it more partners with shared strategic interests. The growth in high-level meetings provides Japanese policymakers platforms to engage and possibly shape their counterparts' China policies. For example, during his summit with President Hollande, Abe pushed France to cease exporting dual-use items to China that could improve the PLA's capabilities.¹⁷⁰ While Hollande opposed Abe's effort, it demonstrated Japan's willingness to advance its own interests and how, if successful, it could harm China. Japan's closer strategic ties can potentially check Beijing's ambitions at regional leadership and provide limitations on Beijing's freedom of action if its activities are seen

by Japan and its security partners as disrupting regional stability. Closer ties also mean increased avenues for Tokyo to promote capacity building, thereby strengthening states' abilities to stand up to China. Together, these promise Japan opportunities to shape and expand its strategic space at China's expense.

Nowhere is this truer than Japan's efforts to create a unified understanding of maritime rules. This has significant potential to constrain China because it chooses not to handle territorial disputes multilaterally. Instead, Beijing prefers bilateral talks with claimant states. Because Tokyo views SCS events as carrying precedence for its ECS dispute with China, it tries to prevent Chinese success in SCS claims. Japan's efforts to unify regional states around its interpretation of UNCLOS make it difficult for China to deal bilaterally with claimant states, thereby limiting China's room for bargaining and ability to engage in divide-and-conquer tactics.

Militarily, Japan's efforts minimize China's quantitative superiority and growing technological gains. Internal balancing increases Japan's ability to defend against "gray zone" contingencies and limit China's freedom of action in the ECS. New assets and posture enable Japan to better monitor Chinese maritime activities and deny China from gaining sea control in the ECS. Importantly, SDF enhancements improve Japan's ability to withstand – and potentially halt – a small-scale contingency. The acquisition of F-35s and next generation torpedos even indicate the potential to go toe-to-toe with China's J-20 fighter and launch crippling strikes against large vessels, such as China's aircraft carrier. Importantly, the development of amphibious capabilities complicates China's ability to hold islands. Although Japan's amphibious capabilities are still in their infancy, continued SDF participation in exercises like Dawn Blitz means maturation may not take long.¹⁷¹

Finally, Japan's external balancing with the US improves the alliance's deterrence capabilities. Improved jointness increases interoperability and flexibility that strengthens the alliance vis-à-vis China. Advancements in Japan's BMD capabilities coupled with closer BMD cooperation with the US potentially compromises China's Anti-Access/Area-Denial capabilities. And more advanced US assets in Japan counterbalance China's modernization efforts. Together, this enhances the alliance's combined capabilities, thereby ensuring military superiority.

Conclusion

Growing uncertainty over China's intentions stemming from what Tokyo views as increasing assertiveness has led Japan to alter its approach to China as a means to expand its strategic space that has contracted due to China's rise. Consequently, Japan's approach has evolved over the past 40 years from an engagement strategy toward a harder hedge that today includes external and internal hard balancing, soft balancing, and reduced economic ties. This is different from anything Japan has ever done and is much more multi-dimensional than often given credit. The consequence is that while Japan continues to pursue robust trade with China, the relationship today is much more competitive and fraught with tension. Importantly, Japan is now in a position to complicate China's freedom of action and frustrate its continued rise.

Japan's efforts are noteworthy because they are not what we would expect. Despite power disparities and a reputation as a reactive state, this article shows that Tokyo has

taken increasingly proactive, independent efforts to expand its strategic space and shape its environment in ways conducive to its interests. At the same time, Japan is neither buckpassing nor seeking independence from the alliance. Quite the contrary, Tokyo is building up its own defenses, initiating new strategic partnerships, and strengthening ties with Washington. In fact, it is only with a strong alliance that policymakers feel confident to explore new partnerships.¹⁷²

Japan's move toward a harder hedge will continue. Not only have the changes been bipartisan, as noted above, there is a pervasive view throughout Tokyo that Japan "has been pushed enough and too long" by China and that Japan will no longer tolerate this.¹⁷³ This has led to the strong belief that Tokyo needs to be more proactive in shaping Japan's strategic future against an increasingly assertive China. As long as China engages in behavior that Tokyo views as threatening to Japanese interests, this belief will not weaken. In fact, there are already signs that Tokyo is increasing its proactive efforts. In addition to strengthening the partnerships outlined in this article, Tokyo is forging new strategic ties with Sri Lanka, Oman, and Malaysia and strengthening political ties with all ASEAN states. Importantly, with Japanese public opinion of China continuing to decline, support for harder hedging policies will remain.¹⁷⁴

ACKNOWLEDGEMENTS

For their insightful comments on earlier drafts, the author would like to thank Mike Green, Christopher Hughes, Justin Nankivell, Jeffrey Reeves, and Alexander Vuving.

NOTES

1. Richard Bush, *The Perils of Proximity: China-Japan Security Relations* (Washington, DC: Brookings Institution Press, 2010).
2. Anonymous MOFA Official, Personal Interview, September 19, 2012.
3. Examples include Jonathan Pollack, "The Transformation of the Asian Security Order," and Robert Sutter, "China's Regional Strategy and Why It May Not Be Good for America," in David Shambaugh, ed., *Power Shift: China and Asia's New Dynamics* (Berkeley and Los Angeles, CA: University of California Press, 2005), pp. 329–346 and 289–305, respectively. Related, see Evan S. Medeiros, Keith Crane, Eric Heginbotham, Norman D. Levin, Julia F. Lowell, Angel Rabasa, and Somi Seong, *Pacific Currents: The Responses of U.S. Allies and Security Partners in East Asia to China's Rise* (Washington, DC: RAND Corporation, 2008).
4. "GDP Growth (Annual %)," World Bank, *World Development Indicators*, 1990 and 2011. Available at <http://databank.worldbank.org/data/views/variableSelection/selectvariables.aspx?source=world-development-indicators>.
5. Values are current US dollars. "GDP (current US dollars)," in World Bank, *World Development Indicators*, 1990 and 2011.
6. Based on medium-fertility projections. National Institute of Population and Social Security Research, "Nihon no Shourai Suikei Jinkou [Population Projects for Japan]," March 30, 2012. Available at <http://www.ipss.go.jp/syoushika/tohkei/newest04/con2h.html>.
7. Values are constant 2011 US dollars. "Military Expenditure by Country," SIPRI, *Military Expenditure Database*. Available at http://www.sipri.org/research/armaments/milex/milex_database.
8. Michael Swaine, Mike Mochizuki, Michael Brown, Paul Giarra, Douglas Paal, Rachel Esplin Odell, Raymond Lu, Oliver Palmer, and Xu Ren, *China's Military and the U.S.-Japan Alliance in 2030: A Strategic Net Assessment*, Carnegie Endowment for International Peace, May 3, 2013. Available at http://carnegieendowment.org/files/net_assessment_full.pdf. See also The Tokyo Foundation, *Japan's Security Strategy Toward China* (Tokyo: Tokyo Foundation, October 2011), p. 27.
9. Kent Calder, "Japanese Foreign Economic Policy Formation: Explaining the Reactive State," *World Politics* Vol. 40 (July 1988).
10. Jennifer Lind, "Pacifism or Passing the Buck? Testing Theories of Japanese Security Policy," *International Security* Vol. 29, No. 1 (Summer 2004).

11. David Kang, *China Rising: Peace, Power and Order in East Asia* (New York: Columbia University Press, 2007), p. 154.
12. Martin Jacques, *When China Rules the World* (New York, NY: Penguin Press, 2009), p. 308.
13. Jae Ho Chung, "East Asia Responds to the Rise of China: Patterns and Variations," *Pacific Affairs* Vol. 82, No. 4 (Winter 2009/2010) and Aurelia George Mulgan, "Breaking the Mould: Japan's Subtle Shift from Exclusive Bilateralism to Modest Minilateralism," *Contemporary Southeast Asia* Vol. 30, No. 1 (2008).
14. David Arase, "Japan, The Active State? Security Policy after 9/11," *Asian Survey* Vol. 47, No. 4 (July/August 2007); Leszek Buszynski, "Sino-Japanese Relations: Interdependence, Rivalry and Regional Security," *Contemporary Southeast Asia* Vol. 31, No. 1 (2009); and Denny Roy, "Stirring Samurai, Disapproving Dragon: Japan's Growing Security Activity and Sino-Japan Relations," *Asian Affairs* Vol. 31, No. 2 (2004).
15. Reinhard Drifte, *Japan's Security Relations with China Since 1989: From Balancing to Bandwagoning?* (London and New York: Routledge Curzon, 2003); Michael Green, "Managing Chinese Power: The View from Japan," in Alastair Iain Johnston and Robert Ross, eds., *Engaging China: The Management of an Emerging Power* (London: Routledge, 1999), pp. 152–175; Christopher Hughes, "Japan's Response to China's Rise: Regional Engagement, Global Containment, Dangers of Collision," *International Affairs* Vol. 85, No. 4 (2009); Mike Mochizuki, "Japan's Shifting Strategy Toward the Rise of China," *Journal of Strategic Studies* Vol. 30, No. 4–5 (August–October 2007).
16. For an overview of options, see Randall Schweller, "Managing the Rise of Great Powers: History and Theory," in Johnston and Ross, eds., *Engaging China*, pp. 1–31.
17. Stephen Walt, *The Origin of Alliances* (Ithaca: Cornell University Press, 1987); Kenneth Waltz, *The Theory of International Politics* (Reading, MA: Addison-Wesley, 1979); and John Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton, 2001). For China-specific debates, see Steve Chan, "An Odd Thing Happened on the Way to Balancing: East Asian States' Reactions to China's Rise," *International Studies Review* Vol. 12 (2010); John Mearsheimer, "China's Unpeaceful Rise," *Current History* (April 2006); Richard Weitz, "Nervous Neighbors," *World Affairs* (March/April 2011).
18. Derek McDougall, "Responses to 'Rising China' in the East Asian Region: Soft Balancing with Accommodation," *Journal of Contemporary China* Vol. 21, No. 73 (January 2012), p. 4.
19. Mearsheimer, *The Tragedy of Great Power Politics*, p. 139.
20. Randall Schweller, "Bandwagoning for Profit: Bringing the Revisionist State Back In," *International Security* Vol. 19, No. 1 (Summer 1994). For China-specific debates, many focus on "accommodation." See Mark Beeson and Fujian Li, "Charmed or Alarmed? Reading China's Regional Relations," *Journal of Contemporary China* Vol. 21, No. 73 (January 2012); Kang, *China Rising*; and David Shambaugh, "Return to the Middle Kingdom?" in Shambaugh, *Power Shift*, pp. 23–47.
21. Mearsheimer, *The Tragedy of Great Power Politics*, p. 139.
22. Alastair Iain Johnston and Robert Ross, eds., *Engaging China*, pp. xiv–xv and Schweller, "Managing the Rise of Great Powers," pp. 14–16.
23. Walt, *The Origin of Alliances*, pp. 28–31.
24. Chien-peng Chung, "Southeast Asia-China Relations: Dialectics of 'Hedging' and 'Counter-Hedging,'" *Southeast Asian Affairs* (2004); Kuik Cheng-Chwee, "The Essence of Hedging: Malaysia and Singapore's Response to a Rising China," *Contemporary Southeast Asia* Vol. 30, No. 2 (August 2008); Evelyn Goh, *Meeting the China Challenge*, Policy Studies 16 (Washington, DC: East-West Center Washington, 2005), and Evan Medeiros, "Strategic Hedging and the Future of Asia-Pacific Stability," *Washington Quarterly* Vol. 29, No. 1 (2005).
25. Medeiros, "Strategic Hedging and the Future of Asia-Pacific Stability," p. 145.
26. Cheng-Chwee, "The Essence of Hedging," p. 161.
27. Cheng-Chwee, "The Essence of Hedging," p. 165.
28. Hughes, "Japan's Response to China's Rise," p. 839.
29. Hughes, "Japan's Response to China's Rise," p. 839.
30. 1973 data for imports is not available. For trade data from 1972 to 1987, see values for China (Code 105) in *Kunibetsu Hinbetsu Hyou, Boueki Toukei Kako De-ta (1987 Nen Izen)* [Country by Commodity, Trade Statistics Past Data (Prior to 1987)], Ministry of Finance (Hereafter MOF). Available at <http://www.customs.go.jp/toukei/suui/index.htm>. From 1987–89, see *Kunibetsu Sougaku Hyou* [Country Totals], MOF. Available at <http://www.customs.go.jp/toukei/srch/index.htm?M=23&P=0>
31. "China," Ministry of Foreign Affairs (Hereafter MOFA), *ODA Jisseki Kensaku* [ODA Actual Search], Various Years. Available at <http://www3.mofa.go.jp/mofaj/gaiko/oda/shiryo/jisseki/kuni>
32. Saori Katada, "Why Did Japan Suspend Foreign Aid to China? Japan's Foreign Aid Decision-Making and Sources of Aid Sanction," *Social Science of Japan Journal* Vol. 4, No. 1 (2001) and K. V. Kesavan, "Japan and the Tiananmen Square Incident: Aspects of the Bilateral Relationship," *Asian Survey* Vol. 30, No. 7 (July 1990).
33. Mochizuki, "Japan's Shifting Strategy Toward the Rise of China," p. 749.
34. Major General Mitsuru Nodomi, Personal Interview, September 14, 2012.
35. Hughes, "Japan's Response to China's Rise," p. 841.
36. JETRO, *2008 JETRO White Paper on International Trade and Foreign Direct Investment*, (Tokyo, Japan External Trade Organization Overseas Research Department, 2008), p. 65. Available at http://www.jetro.go.jp/en/reports/white_paper/trade_invest_2008.pdf

37. MOFA, "Japan-China Joint Press Statement," October 8, 2006. Available at <http://www.mofa.go.jp/region/asia-paci/china/joint0610.html>
38. MOFA, "Joint Statement Between the Government of Japan and the Government of the People's Republic of China on Comprehensive Promotion of a 'Mutually Beneficial Relationship Based on Common Strategic Interests,'" May 7, 2008. Available at <http://www.mofa.go.jp/region/asia-paci/china/joint0805.html>.
39. Prime Minister's Office (hereafter Kantei), "Japan's New Commitment to Asia: Toward the Realization of an East Asian Community," November 15, 2009. Available at http://www.kantei.go.jp/foreign/hatoyama/statement/200911/15singapore_e.html
40. Anonymous Government of Japan Official, Personal Interview, January 15, 2013.
41. Concerns included China's military expenditures, non protection of human rights, provision of aid to other countries, and the lack of Chinese public awareness of Japan's aid, MOFA, "Japan's Official Development Assistance White Paper 2001," May 2002, p. 47. Available at <http://www.mofa.go.jp/policy/oda/white/2001/contents.pdf>
42. Mochizuki, "Japan's Shifting Strategy Toward the Rise of China," p. 754.
43. Anonymous Former MOFA Official, Personal Interview, January 15, 2013; Anonymous MOFA Official, Personal Interview, September 12, 2012.
44. MOFA, "Japan-U.S. Joint Declaration on Security Alliance for the 21st Century," April 17, 1996. Available at <http://www.mofa.go.jp/region/n-america/us/security/security.html>; and MOFA, "The Guidelines for Japan-U.S. Defense Cooperation," September 1997. Available at www.mofa.go.jp/region/n-america/us/security/guideline2.html
45. MOFA, "Speech by Mr. Taro Aso, Minister for Foreign Affairs on the Occasion of the Japan Institute of International Affairs Seminar 'Arc of Freedom and Prosperity: Japan's Expanding Diplomatic Horizons,'" November 30, 2006. Available at <http://www.mofa.go.jp/announce/fm/aso/speech0611.html>
46. Anonymous Former MOFA Official, Personal Interview, January 15, 2013.
47. The value of this was highlighted by a 1999 Indian coastguard rescue of the Japanese freight ship *Alondra Rainbow*.
48. Ministry of Foreign Affairs and Trade (Australia), "Joint Statement: The Minister for Foreign Affairs and the Deputy Prime Minister and Minister for Trade," August 28, 1997. Available at http://www.foreignminister.gov.au/releases/1997/fa106_97.html
49. Australia's Senate Standing Committee on Foreign Affairs concluded that "through participation in regional networks, Japan can contribute to the solution of regional problems." Takashi Terada, "Evolution of the Australia-Japan Security Partnership: Toward a Softer Triangle Alliance with the United States?" *Center for Asian Studies* (October 2010), p. 7.
50. See quote by former Foreign Minister Alexander Downer in Kelly, "Australia's New Security Bond With Japan;" Prime Minister Howard's statement in "Australia in Japan Security Deal," *BBC*, March 13, 2007. Available at <http://news.bbc.co.uk/2/hi/asia-pacific/6444207.stm>; and Foreign Minister Carr's statement in MOFA, "Press Conference: Japan-Australia Foreign Ministerial Talks (Overview)," January 13, 2013. Available at http://www.mofa.go.jp/region/asia-paci/fmv_1301/ja_jpc_130113_en.html
51. Ministry of Defence (Australia), "Australia's National Security: A Defence Update 2007," 2007, p. 19. Available at http://www.defence.gov.au/oscdf/ans/2007/contents_pdf.htm
52. Ministry of Defence (Australia), "Defending Australia in the Asia Pacific Century: Force 2030," 2009, p. 34. Available at http://www.defence.gov.au/whitepaper2009/docs/defence_white_paper_2009.pdf
53. MOFA, "Joint Statement: Building a Comprehensive Strategic Relations," March 18, 2006. Available at <http://www.mofa.go.jp/region/asia-paci/australia/joint0603.html>
54. MOFA, "Japan-Australia Joint Declaration on Security Cooperation," March 13, 2007. Available at <http://www.mofa.go.jp/region/asia-paci/australia/joint0703.html>
55. MOFA, "Major Elements of the Action Plan to Implement the Japan-Australia Joint Declaration on Security Cooperation," September 9, 2007. Available at <http://www.mofa.go.jp/region/asia-paci/australia/action0709.html>
56. MOFA, "Joint Statement by Prime Minister Yasuo Fukuda of Japan and Prime Minister Kevin Rudd of Australia on 'Comprehensive Strategic, Security and Economic Partnership,'" June 12, 2008. Available at <http://www.mofa.go.jp/region/asia-paci/australia/joint0806.html>
57. MOFA, "Japan-Australia Joint Foreign and Defense Ministerial Consultations," December 18, 2008. Available at <http://www.mofa.go.jp/region/asia-paci/australia/2plus2joint08.html>
58. Ministry of Defence (hereafter MOD), "Memorandum on Defence Cooperation between Ministry of Defence, Japan and Department of Defence, Australia," December 18, 2008. Available at <http://www.mod.go.jp/j/press/youjin/2008/12/18h.html>
59. The ACSA covers exercises and training, PKOs, humanitarian relief operations, and operations to cope with large scale disasters. MOFA, "Agreement between the Government of Japan and the Government of Australia Concerning Reciprocal Provision of Supplies and Services Between the Self-Defense Forces of Japan and the Australian Defense Force," May 19, 2010. Available at <http://www.mofa.go.jp/region/asia-paci/australia/pdfs/agree1005.pdf>
60. Prime Minister of India, "PM's Address to Japan-India Association, Japan-India Parliamentary Friendship League and International Friendship Exchange Council," May 28, 2013. Available at <http://pmindia.nic.in/speech-details.php?nodeid=1319>

61. MOFA, "Japan-India Joint Declaration," December 10, 2001. Available at <http://www.mofa.go.jp/region/asia-paci/india/joint0112.html>
62. Rajiv Bhatia, "Growing Proximity Between India and Japan," *The Hindu*, November 6, 2011. Available at <http://www.thehindu.com/opinion/op-ed/growing-proximity-between-india-japan/article2604449.ece>
63. Vikash Ranjan, "Evolving India-Japan Relations and the Way Forward," Vivekananda International Foundation, March 11, 2011. Available at <http://www.vifindia.org/article/2011/march/11/Evolving-India-Japan-Relations-and-the-Way-Forward>
64. Gurpreet Khurana, "Security of Sea Lines: Prospects for India-Japan Cooperation," *Strategic Analysis* Vol. 31, No. 1 (January 2007), p. 149; Raviprasad Narayanan, "India and Japan: Weaving New Patterns of Strategic Cooperation," *MCSS Paper* (March 17, 2011). Available at <http://www.mcstw.org/web/content.php?PID=5&Nid=656>.
65. MOFA, "Japan-India Partnership in a New Asian Era: Strategic Orientation of Japan-India Global Partnership," April 29, 2005. Available at <http://www.mofa.go.jp/region/asia-paci/india/partner0504.html#eight>.
66. Ministry of External Affairs (India), "Joint Statement, Visit of Mr. Pranab Mukherjee, Minister of Defense to Japan," May 26, 2006. Available at <http://mea.gov.in/bilateral-documents.htm?dtl/6159/Joint+Statement+Visit+of+Mr+Pranab+Mukherjee+Minister+of+Defence+to+Japan>
67. MOFA, "Joint Statement Towards Japan-India Strategic and Global Partnership," December 15, 2006. Available at <http://www.mofa.go.jp/region/asia-paci/india/pdfs/joint0612.pdf>
68. MOFA, "Joint Declaration on Security Cooperation between Japan and India," October 22, 2008. Available at http://www.mofa.go.jp/region/asia-paci/india/pmv0810/joint_d.html
69. MOFA, "Joint Declaration on Security Cooperation between Japan and India."
70. MOD, "Joint Press Statement," November 9, 2009. Available at <http://www.mod.go.jp/j/approach/exchange/pdf/india03e.pdf>
71. MOFA, "Action Plan to Advance Security Cooperation Based on the Joint Declaration on Security Cooperation between Japan and India," December 29, 2009. Available at <http://www.mofa.go.jp/region/asia-paci/india/pmv0912/action.html>
72. Keiro Kitagami, Personal Interview, September 18, 2012.
73. Nobushige Takamizawa, Personal Interview, September 19, 2012.
74. Anonymous Government of Japan Official, Personal Interview, January 15, 2013.
75. Anonymous Maritime Self-Defense Forces (MSDF) Officer, Personal Interview, September 14, 2012. This view was prevalent in interviews conducted with MOFA, MOD, Self-Defense Forces, Ministry of Economy, Trade and Industry, and lawmakers in 2012 and 2013.
76. MOD, "National Defense Program Guidelines for FY2011 and Beyond," December 17, 2010, p. 7. Available at http://www.mod.go.jp/e/d_act/d_policy/pdf/guidelinesFY2011.pdf
77. Major General Mitsuru Nodomi, Personal Interview, September 14, 2012.
78. Specific equipment is gathered from: MOD, "Defense Programs and Budget of Japan, Fiscal Years 2011–13." Available at www.mod.go.jp/e/d_budget/; and MOD, "Chuuki Boueiryouku Seibi Keikaku (Heisei 26 nendo-Heisei 30 nendo) ni tsuite [Mid-Term Defense Program (FY2014–FY2018)]," December 17, 2013. Available at http://www.mod.go.jp/j/approach/agenda/guideline/2014/pdf/chuki_seibi26-30.pdf
79. The FPS-7 is a long-range search radar that strengthens air control.
80. MOD will also extend the life of existing P-3Cs and SH-60Js.
81. "Ritou Bouei ni 'Suiriku Ryouyou Dan' 3-Zennin Kibo de Shinsetsu he," [Toward Establishing a 3,000-Person Amphibious Group for Outlying Island Defense], *Yomiuri Shimbun*, September 18, 2013. Available at <http://www.yomiuri.co.jp/politics/news/20130918-OYT1T00687.htm>
82. US officials repeatedly say the alliance is the cornerstone of regional peace and stability and the US looks to Japan to play an important role in virtually all regional and global challenges. See Thomas Donilon, "The United States and the Asia-Pacific in 2013," Speech given at *Asia Society*, New York, March 11, 2013. Available at <http://asiasociety.org/new-york/complete-transcript-thomas-donilon-asia-society-new-york>
83. Amaani Lyle, "Officials Praise Decision on Futenma Facility," *American Forces Press*, December 27, 2013. Available at <http://www.defense.gov/news/newsarticle.aspx?id=121411>
84. MOFA, "Joint Statement of the Security Consultative Committee, Toward a More Robust Alliance and Greater Shared Responsibilities," October 3, 2013, p. 2. Available at <http://www.mofa.go.jp/files/000016028.pdf>.
85. "Joint Statement of the Security Consultative Committee, Toward a More Robust Alliance and Greater Shared Responsibilities," pp. 3–4, 10.
86. "Nichibei Bouei Shishin to Heikou Kyougi" [Japan-US Defense Guidelines and Parallel Discussions], *Yomiuri Shimbun*, January 16, 2013, p. 1.
87. First official demonstration of this is during May 2012 meetings. See MOFA, "Courtesy Call on Mr. Katsuya Okada, Deputy Prime Minister of Japan by Senator the Hon Bob Carr, Australian Minister for Foreign Affairs," May 18, 2012. Available at http://www.mofa.go.jp/region/asia-paci/australia/meeting1205_dpm.html; and MOFA, "Japan-Australia Foreign Ministers' Meeting," May 17, 2012. Available at http://www.mofa.go.jp/announce/announce/2012/5/0517_02.html

88. Japan's fourth after the US, NATO, and France. MOFA, "Agreement between the Government of Japan and the Government of Australia on the Security of Information," May 17, 2012. Available at http://www.mofa.go.jp/announce/announce/2012/5/pdfs/0517_01_01.pdf
89. Australia Minister for Foreign Affairs, "4th Australia-Japan Foreign and Defence Ministerial Consultations: Australia and Japan-Cooperating for Peace and Stability," September 14, 2012. Available at http://www.foreignminister.gov.au/releases/2012/bc_mr_120914a.html
90. MOFA, "Japan-Australia Foreign Ministers' Meeting (Overview)," January 13, 2013: http://www.mofa.go.jp/region/asia-paci/fmv_1301/australia_1.html; MOFA, "Press Conference: Japan-Australia Foreign Ministerial Talks (Overview)," January 13, 2013. Available at http://www.mofa.go.jp/region/asia-paci/fmv_1301/ja_jpc_130113_en.html
91. MOFA, "Japan-Australia Foreign Ministers' Meeting," July 1, 2013. Available at http://www.mofa.go.jp/region/page6e_000103.html
92. "Tony Abbott Invites Shinzo Abe, Saying Japan is Australia's 'Best Friend in Asia'," *The Guardian*, October 9, 2013. Available at <http://www.theguardian.com/world/2013/oct/10/aboutt-invites-abe-japan-friend>
93. Indrani Bagchi, "Japan Looks for Security Alliance with India," *The Times of India*, November 5, 2012. Available at http://articles.timesofindia.indiatimes.com/2012-11-05/india/34926149_1_naval-exercises-maritime-self-defence-force-diaoyu-islands
94. MOD, "Press Release," November 2, 2011. Available at http://www.mod.go.jp/j/press/youjin/2011/11/02_pr_e.pdf
95. The exercise included previously conducted training (i.e., tactical maneuver and communications training) and search and rescue training by the MSDF vessels and aircraft together with Indian Navy vessels. MOD, "MOD/JSDF Answers." Available at http://www.mod.go.jp/e/about/answers/exc_india/index.html
96. "PM's Address to Japan-India Association, Japan-India Parliamentary Friendship League and International Friendship Exchange Council," Prime Minister of India, Tokyo, Japan, May 28, 2013. Available at <http://pmindia.gov.in/speech-details.php?modeid=1319>
97. MOFA, "Joint Statement: Strengthening the Strategic and Global Partnership Between Japan and India Beyond the 60th Anniversary of Diplomatic Relations," May 29, 2013. Available at <http://www.mofa.go.jp/mofaj/files/000005381.pdf>
98. MOFA, "Japan-India Joint Statement: Intensifying the Strategic and Global Partnership," January 25, 2014. Available at http://www.mofa.go.jp/mofaj/kaidan/page3_000632.html
99. Shotaro Yachi, Personal Interview, January 15, 2013.
100. Anonymous MOFA Official, Personal Interview, September 19, 2012.
101. Anonymous Senior MOFA Official, Personal Interview, September 19, 2012.
102. See, for example, how economics dominated in the MOFA, "Japan-Philippine Joint Statement 'Partnership between Close Neighbors for Comprehensive Cooperation,'" December 6, 2006. Available at <http://www.mofa.go.jp/region/asia-paci/philippine/joint0612.html>
103. MOFA, "Japan-Philippines Summit Meeting," September 27, 2011. Available at http://www.mofa.go.jp/region/asia-paci/philippine/meet_pm_1109.html; and Kantei "Japan-Philippines Joint Statement on the Comprehensive Promotion of the 'Strategic Partnership' between Neighboring Countries Connected by Special Bonds of Friendship," September 27, 2011. Available at http://www.kantei.go.jp/foreign/noda/statement/201109/27philippines_e.html
104. MOFA, "Japan-Philippines Foreign Ministers' Meeting and Working Lunch (Outline)," January 10, 2013. Available at http://www.mofa.go.jp/region/asia-paci/fmv_1301/philippines_2.html; and MOFA, "Nichi-Firipin Shunou Kaigai (Kaiyou) [Japan-Philippines Summit Meeting (Overview)]," December 13, 2013. Available at http://www.mofa.go.jp/mofaj/area/page22_000792.html
105. MOFA, "Nichi-Firipin Shunou Kaidan (Kaiyou) [Japan-Philippines Summit Meeting (Overview)]," July 27, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/page3_000326.html
106. Japan Coast Guard (hereafter JCG), "Kaijou Hoan Repo-to 2012 [Japan Coast Guard Annual Report 2012]," 2012. Available at http://www.kaiho.mlit.go.jp/info/books/report2012/html/honpen/p114_08_02.html
107. For example, the bulk of a 2007 document outlining areas to strengthen cooperation was dominated by non-security issues. See MOFA, "Agenda Toward a Strategic Partnership between Japan and Vietnam," November 27, 2007. Available at <http://www.mofa.go.jp/region/asia-paci/vietnam/agenda0711.html>
108. MOFA, "Okada Gaimu Daijin no Betonamu Houmon (Kekka Gaiyou) [Foreign Minister Okada's Vietnam Trip (Overview of Results)]," July 24, 2010. Available at http://www.mofa.go.jp/mofaj/kaidan/g_okada/asean_1007/vietnam_gaiyo.html
109. MOFA, "Japan-Viet Nam Joint Statement on the Actions Taken Under Strategic Partnership for Peace and Prosperity in Asia," October 31, 2011. Available at http://www.mofa.go.jp/mofaj/kaidan/s_noda/vietnam1110/pdfs/1.pdf
110. "Japan, Vietnam Sign Memo on Defense Cooperation Enhancement," *Mainichi Daily News*, October 25, 2011. Available at <http://mdn.mainichi.jp/mdnnews/news/20111025p2g00m0dm013000c.html> For a very brief summary, see MOD, "Nichi-Etsu Boueishou Kaidan (Kaiyou) [Japan-Vietnam Defense Ministers Meeting (Overview)]," October 2011. Available at http://www.mod.go.jp/j/approach/exchange/nikoku/s_e_asia/vietnam/gaiyou11_10.html
111. MOFA, "Abe Souru Daijin no Betonamu Houmon (Kaiyou) [Prime Minister Abe's Vietnam Visit (Overview)]," January 17, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/s_abe2/vti_1301/

- vietnam.html; and MOFA, “Nichi Betonamu Shunou Kaigi (Kaiyou) [Japan-Vietnam Summit Meeting (Overview)],” December 15, 2013. Available at http://www.mofa.go.jp/mofaj/area/page18_000142.html
112. For their first meeting, see MOFA, “Nichi-Shingapo-ru Kaijou Anzen Hoshou Taiwa no Kaisai [Opening of Japan-Singapore Maritime Security Dialogue],” November 1, 2011. Available at http://www.mofa.go.jp/mofaj/press/release/23/11/1101_02.html
 113. MOFA, “Nichi-Shingapo-ru Gaishou Kaidan, Chuushokukai (Kaiyou) [Japan-Singapore Foreign Ministers Meeting and Luncheon, (Overview)],” January 11, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/g_kishida/psba_1301/singapore_2.html
 114. MOFA, “Nichi-Shingapo-ru Shunou Kaidan (Kaiyou) [Japan-Singapore Summit Meeting (Overview)],” May 22, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/page3_000172.html
 115. MOFA, “Japan-Indonesia Joint Statement ‘Strategic Partnership for Peaceful and Prosperous Future,’” November 28, 2006. Available at <http://www.mofa.go.jp/region/asia-paci/indonesia/joint0611.html>
 116. JCG, “Tounan Ajia ni Okeru Kaizoku Taisaku [Policies Regarding Piracy in Southeast Asia].” Available at http://www.kaiho.mlit.go.jp/info/anti-piracy/cpa_se.htm
 117. In addition to providing education and training in maritime traffic safety, search and rescue, maritime rescue and disaster prevention measures, and assistance for maritime surveillance systems, since 2008 Japan’s JCG has sent experts to provide advice on maritime safety policies to help strengthen Indonesia’s Maritime Security Coordinating Board. JCG, “Kaijou Hoan Repo-to [Japan Coast Guard Annual Report],” Various Years. Available at <http://www.kaiho.mlit.go.jp>.
 118. MOFA, “Nichi-Indonesia Shunou Kaidan (Kaiyou) [Japan-Indonesia Summit Meeting (Overview)],” June 19, 2012. Available at http://www.mofa.go.jp/mofaj/kaidan/s_noda/1206_indonesia.html; MOFA, “Nichi-Indonesia Shunou Kaidan (Kaiyou) [Japan-Indonesia Summit Meeting (Overview)],” September 26, 2012. Available at http://www.mofa.go.jp/mofaj/area/indonesia/visit/1209_sk.html; and MOFA, “Nichi-Indonesia Shunou Kaidan (Kaiyou) [Japan-Indonesia Summit Meeting (Overview)],” January 18, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/s_abe2/vti_1301/indonesia.html
 119. MOFA, “The Fifth Japan-Indonesia Ministerial-Level Strategic Dialogue,” October 4, 2013. Available at http://www.mofa.go.jp/region/page3e_000106.html; and MOFA, “Japan-Indonesia Summit Meeting,” December 13, 2013. Available at http://www.mofa.go.jp/region/page22e_000050.html
 120. MOFA, “Japan-Thailand Joint Statement on the Strategic Partnership based on the Enduring Bonds of Friendship: Fostering Confidence beyond the Disasters,” March 7, 2012. Available at <http://www.mofa.go.jp/region/asia-paci/thailand/meeting1203.html>
 121. MOFA, “Nichi-Tai Shunou Kaidan (Kaiyou) [Japan-Thai Summit Meeting (Overview)],” November 6, 2012. Available at http://www.mofa.go.jp/mofaj/kaidan/s_noda/asem_9/j_thailand.html
 122. MOFA, “Abe Souri Daijin no Tai Houmon (Kaiyou) [Prime Minister Abe’s Thailand Visit (Overview)],” January 18, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/s_abe2/vti_1301/thailand.html
 123. MOFA, “Nichi-Tai Shunou Kaigdan (Kaiyou) [Japan-Thailand Summit Meeting (Overview)],” May 23, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/page6_000068.html
 124. MOFA, “Joint Statement by the Prime Ministers of the UK and Japan: A Leading Strategic Partnership for Global Prosperity and Security,” April 10, 2012. Available at <http://www.mofa.go.jp/region/europe/uk/joint1204.html>
 125. UK Government, “Foreign Secretary Signs Groundbreaking Defence and Security Agreements with Japan,” July 4, 2013. Available at <http://www.gov.uk/government/news/foreign-secretary-signs-groundbreaking-defence-and-security-agreements-with-japan>
 126. MOFA, “Nichi-Futsu Kyoudou Seimei [Japan-France Joint Declaration],” June 7, 2013. Available at <http://www.mofa.go.jp/mofaj/files/000006048.pdf>
 127. Shinzo Abe, “Asia’s Democratic Security Diamond,” *Project Syndicate*, December 27, 2012. Available at <http://www.project-syndicate.org/commentary/a-strategic-alliance-for-japan-and-india-by-shinzo-abe>
 128. Tokyo played an economic role in the Balkans, helped clear unexploded weapons and contamination from land in Azerbaijan, assisted anti-piracy efforts in the Gulf of Aden, and assisted in Afghanistan’s reconstruction.
 129. NATO, “Joint Political Declaration Between Japan and the North Atlantic Treaty Organization,” April 13, 2013. Available at http://www.nato.int/cps/en/natolive/official_texts_99562.htm
 130. Anders Fogh Rasmussen, “NATO and Japan-Natural Partners,” NATO, April 15, 2013. Available at http://www.nato.int/cps/en/natolive/opinions_99634.htm
 131. MOFA, “Joint Statement: Vision for the Enhancement of Japan-India Strategic and Global Partnership Upon Entering the Year of the 60th Anniversary of the Establishment of Diplomatic Relations,” December 28, 2011. Available at http://www.mofa.go.jp/region/asia-paci/india/pmv1112/joint_statement_enhtml; and Australia Minister for Foreign Affairs, “4th Australia-Japan Foreign and Defence Ministerial Consultations: Australia and Japan-Cooperating for Peace and Stability.”
 132. MOFA, “Joint Statement: Strengthening the Strategic and Global Partnership Between Japan and India Beyond the 60th Anniversary of Diplomatic Relations,” and MOFA, “Japan-India Joint Statement: Intensifying the Strategic and Global Partnership.”
 133. Kantei “Japan-Philippines Joint Statement on the Comprehensive Promotion of the ‘Strategic Partnership; between Neighboring Countries Connected by Special Bonds of Friendship,” September 27, 2011. Available at http://www.kantei.go.jp/foreign/noda/statement/201109/27philippines_e.html

134. MOFA, "Japan-Viet Nam Joint Statement on the Actions Taken Under Strategic Partnership for Peace and Prosperity in Asia."
135. With the Philippines, see MOFA, "Second Japan-Philippines Dialogue on Maritime and Oceanic Affairs," February 22, 2013. Available at http://www.mofa.go.jp/announce/announce/2013/2/0222_01.html
136. MOFA, "Abe Souru Daijin no Betonamu Houmon (Kaiyou) [Prime Minister Abe's Vietnam Visit (Overview)]."
137. MOFA, "Japan-Thailand Joint Statement on the Strategic Partnership based on the Enduring Bonds of Friendship: Fostering Confidence beyond the Disasters."
138. MOFA, "Abe Souru Daijin no Tai Houmon (Kaiyou) [Prime Minister Abe's Thailand Visit (Overview)]."
139. MOFA, "Nichi-Indonesia Shunou Kaidan (Kaiyou) [Japan-Indonesia Summit Meeting (Overview)]," June 19, 2012.
140. MOFA, "Nichi-Indonesia Shunou Kaidan (Kaiyou) [Japan-Indonesia Summit Meeting (Overview)]," January 18, 2013.
141. Ministry of Foreign Affairs (Singapore), "MFA Press Statement: Prime Minister Lee Hsien Loong's attendance at the 19th ASEAN Summit and Related Summits, Bali, Indonesia," November 18, 2011. Available at <http://app.mfa.gov.sg>.
142. MOFA, "Nichi-Shingapo-ru Shunou Kaidan (Kaiyou) [Japan-Singapore Summit Meeting (Overview)]," September 8, 2012. Available at http://www.mofa.go.jp/mofaj/kaidan/s_noda/apec_2012/j_singapore.html
143. MOFA, "Toni-Tan, Shingapo-ru Daitouryou Hyoukei, Nichi-Shingapo-ru Shunou Kaidan Oyobi Ri-Shenron Shushou Shusai Chuushokukai (Gaiyou) [Courtesy Call on Tony Tan, President of Singapore, Japan-Singapore Summit Meeting and Luncheon Hosted by Prime Minister Lee Hsien Loong (Outline)], July 26, 2013. Available at http://www.mofa.go.jp/mofaj/kaidan/page3_000325.html
144. MOFA, "Joint Declaration for Enhancing ASEAN-Japan Strategic Partnership for Prospering Together (Bali Declaration)," November 18, 2011. Available at http://www.mofa.go.jp/region/asia-paci/asean/conference/pdfs/bali_declaration_en_1111.pdf
145. Ben Blanchard and Olivia Rondonuwu, "U.S., China Spar Verbally over Maritime Claims Addressing South China Sea," *Washington Post*, November 18, 2011. Available at http://www.washingtonpost.com/world/us-china-spar-verbally-over-maritime-claims-addressing-south-china-sea/2011/11/18/gIQAAdk1nZN_story.html.
146. "Japan Dives into South China Sea Flap with China," *Asahi Shimbun*, November 6, 2011. Available at http://ajw.asahi.com/article/behind_news/politics/AJ2011110616738
147. MOFA, "Chairman's Statement of the 16th ASEAN-Japan Summit," October 9, 2013 and MOFA, "Joint Statement of the ASEAN-Japan Commemorative Summit," December 14, 2013. Both available at <http://www.mofa.go.jp/region/asia-paci/asean/conference/index.html>. See also "Higashi Ajia Shunou Kaigi Abe Souru, Manimi Shina Kai Jousei Meguri Chuugoku wo Kensei" [East Asia Summit PM Abe, Checking China Regarding the Situation in the South China Sea], *FNN News*, October 10, 2013. Available at <http://www.fnn-news.com/news/headlines/articles/CONN00255560.html>.
148. MOFA, "The Sixth Pacific Islands Leaders Meeting (PALM 6) Okinawa 'Kizuna' Declaration," May 25–26, 2012. Available at http://www.mofa.go.jp/region/asia-paci/palm/palm6/kizuna_en.html
149. See reference to this in MOFA, "The Sixth Pacific Islands Leaders Meeting (PALM 6) Okinawa 'Kizuna' Declaration."
150. Anonymous MOFA Official, Personal Interview, September 19, 2012.
151. "Kunibetsu Sougaku Hyou" [Values by Country], MOF, *Zaimusho Boueki Toukei* [Ministry of Finance Trade Statistics], Various Years. Available at <http://www.customs.go.jp/toukei/srch/index.htm>
152. Japan Bank for International Cooperation, "Survey Report on Overseas Business Operations by Japanese Manufacturing Companies," October 2013. Available at http://www.jbic.go.jp/wp-content/uploads/press_en/2013/11/15929/FY2013_Survey2.pdf
153. JETRO, 2013 *JETRO Global Trade and Investment Report* (Tokyo: JETRO, 2013), p. 4. Available at http://www.jetro.go.jp/en/reports/white_paper/trade_invest_2013.pdf; MOFA, "Factsheet on Japan-ASEAN Relations," February 2013. Available at <http://www.mofa.go.jp/region/asia-paci/asean/factsheet.html>
154. Ka-Ho Yu, "Japan Challenging China's Rare Earth Hegemony," *Journal of Energy Security*, November 21, 2012. Available at http://www.ensec.org/index.php?option=com_content&id=391:challenging-chinas-rare-earth-monopoly-a-japanese-perspective&catid=130:issue-content&Itemid=405
155. Percentages based on HS Codes: 2805.30, 2846.10-010, 2846.10-090, 2846.90-210, and 2846.90-220. "Hinbetsu Kunibetsu Hyou" [Commodity by Country], *Zaimusho Boueki Toukei*, Various Years.
156. See Keith Bradsher, "Amid Tension, China Blocks Vital Exports to Japan," *New York Times*, September 22, 2010. Available at http://www.nytimes.com/2010/09/23/business/global/23rare.html?pagewanted=all&_r=0; and Shino Yuasa, "Traders: China Halts Rare Earth Exports to Japan," *Associated Press*, September 24, 2010. Available at <http://phys.org/news/2010/09/23rare.html>. Hagstrom argues the decline was due to a planned cut in China's export quota. See Linus Hagstrom, "'Power Shift' in East Asia? A Critical Reappraisal of Narratives on the Diaoyu/Senkaku Islands Incident in 2010," *Chinese Journal of International Politics* Vol. 5 (2012). However, reports show post-collision cuts to Japan were *in addition* to the quota, lending credence to the argument that China intentionally prohibited Japan-bound exports. See Keith Bradsher, "China Said to

- Widen its Embargo of Minerals," *New York Times*, October 19, 2010. Available at <http://www.nytimes.com/2010/10/20/business/global/20rare.html?pagewanted=all>; and "China Restarts Rare Earth Shipments to Japan," *New York Times*, November 19, 2010. Available at <http://www.nytimes.com/2010/11/20/business/global/20rare.html>; and Wayne Morrison and Rachel Tang, "China's Rare Earth Industry and Export Regime: Economic and Trade Implications for the United States," *Congressional Research Service*, April 30, 2012.
157. MOF, "Commodity by Country."
 158. "Japan, India Ink Rare-Earth Accord," *Japan Times*, November 18, 2012. Available at <http://www.japantimes.co.jp/news/2012/11/18/national/japan-india-ink-rare-earth-accord/#.UeiY1-hujIU>; and Nanae Kurashige, "Japan Plans to Import Rare Earths from India as Hedge Against China," *Asahi Shimbun*, October 19, 2012. Available at http://ajw.asahi.com/article/behind_news/politics/AJ201210190058
 159. Reiji Yoshida, "Abe declares Japan will join TPP free-trade process," *Japan Times*, March 16, 2013. Available at <http://www.japantimes.co.jp/news/2013/03/16/business/abe-declares-japan-will-join-tpp-free-trade-process/#.UdtXluhuIU>
 160. Keiro Kitagami, Personal Interview, September 18, 2012.
 161. Shotaro Yachi, Personal Interview, January 15, 2013.
 162. Anonymous Former MOFA Official, Personal Interview, January 15, 2013.
 163. David Pilling, "Trans-Pacific Partnership: Far-Reaching Agreement Could Form Powerful New Trade Bloc," *Financial Times*, November 8, 2011. Available at www.ft.com/cms/s/0/47dd4d14-06cc-11e1-90de-00144feabd0.html#axzz2f6d3fJcS; and "Joining TPP Essential to Counter Expanding China," *Daily Yomiuri*, November 29, 2011. Available at <http://www.yomiuri.co.jp/dy/business/T111128002458.htm>
 164. Chinese President Hu unveiled the term in April 2004. Hu Jintao, "China's Development Is an Opportunity for Asia," April 24, 2004. Available at China.org website, <http://www.china.org.cn/english/features/93897.htm>
 165. Joshua Kurlantzick, *Charm Offensive* (New Haven: Yale University Press, 2007), p. 5.
 166. Kurlantzick, *Charm Offensive*, p. 39.
 167. Joshua Kurlantzick, "Red Menace," *Newsweek*, October 11, 2010, p. 15.
 168. One argument says China's behavior represents new assertiveness. See Joseph S. Nye, "China's Bad Bet Against America," *Project Syndicate*, March 10, 2010. Available at <http://www.project-syndicate.org/commentary/china-s-bad-bet-against-america>; John Pomfret, "Newly Powerful China Defies Western Nations with Remarks, Policies," *Washington Post*, March 15, 2010. Available at <http://www.washingtonpost.com/wp-dyn/content/article/2010/03/14/AR2010031400368.html>; David Shambaugh, "The Chinese Tiger Shows its Claws," *Financial Times*, February 17, 2010. Available at <http://www.ft.com/intl/cms/s/0/d55d5578-1b62-11df-838f-00144feab49a.html#axzz2qICAYhfj>; and Andrew Small, "Dealing with a More Assertive China," *Forbes*, February 18, 2010. Available at <http://blog.gmfus.org/2010/02/08/dealing-with-a-more-assertive-china/>. The other argument questions this new assertiveness. See Alastair Iain Johnston, "How New and Assertive is China's New Assertiveness?" *International Security* Vol. 37, No. 4 (Spring 2013).
 169. Jeffrey Hornung, "Japan, A Consequential Power," *Asia Unbound*, January 17, 2013. Available at <http://blogs.cfr.org/asia/2013/01/17/jeffrey-w-hornung-japan-a-consequential-power/>
 170. A French defense contractor sold a helicopter landing grid system to China which allows takeoffs and landings on ships without crew assistance, even in bad weather. See Nanae Kurashige, "Japan, France to Establish Committee to Control Arms Exports," *Asahi Shimbun*, June 5, 2013. Available at http://ajw.asahi.com/article/behind_news/politics/AJ201306050091; and Mizuho Aoki, "Abe, Hollande Reach Deal to Push Nuclear Technology," *Japan Times*, June 8, 2013. Available at <http://www.japantimes.co.jp/news/2013/06/08/national/abe-hollande-reach-deal-to-push-nuclear-technology/#.UfwC0vl6ePw>
 171. Dawn Blitz 2013 had troops learning how to assault beaches, conduct helicopter and small-boat raids, and work with pre-positioned supply ships. Japan participated for the first time. MOD Joint Staff Office, "Beikoku ni Okeru Tougou Kunren (Do-n Burittsu 13) no Gaiyo" [Overview of Joint Training in the US (Dawn Blitz 13)]. Available at http://www.mod.go.jp/js/Activity/Exercise/dawn_blitz2013.htm; and US Marine Corps, "Amerika Kaigun, Kaiheita ga Takokukan Suiriku Ryouyou Enshuu Do-n Burittsu wo Kaishi [The US Navy, Marines Begin Multinational Amphibious Exercise Dawn Blitz]," June 14, 2013. Available at <http://www.okinawa.usmc.mil/News/130614-dawnblitz.html>
 172. Anonymous MOFA Official, Personal Interview, September 19, 2012.
 173. Anonymous MSDF Officer, Personal Interview, September 14, 2012.
 174. Cabinet Office (Japan), "Gaikou ni Kansuru Seron Chousa [Opinion Poll on Diplomacy]," Various Years. Available at <http://www8.cao.go.jp/survey/index-gai.html>.

Jeffrey W. Hornung is an Associate Professor at the Asia-Pacific Center for Security Studies in Honolulu, Hawaii. He concurrently holds an Adjunct Fellow Position with the Office of the Japan Chair at the Center for Strategic and International Studies in Washington, DC. Dr. Hornung is also a member of Cohort II of the US-Japan Network for the Future Program run by the Maureen and Mike Mansfield Foundation and the Japan Foundation Center for Global Partnership.